

For the Fiscal Year Ended June 30, 2011
State of New Jersey



Comprehensive Annual Financial Report

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor



STATE OF NEW JERSEY



COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2011

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

CHARLENE M. HOLZBAUR
Director
Office of Management and Budget

Kathy A. Steepy
Assistant Director
Financial Management

Robert L. Peden
Deputy Director
Office of Management and
Budget

James F. Kelly
Manager
Financial Reporting

Historic Sites of New Jersey

Whether it's a Revolutionary War battlefield, a lighthouse, a village reminiscent of times long past, or the home of a president, poet or industrial pioneer, there is something for everyone to experience and enjoy at New Jersey's State Historic Sites. Come and explore these fascinating and significant historic resources that span the 18th, 19th, and 20th centuries. Discover New Jersey's storied places and learn why New Jersey's history is America's history.

New Jersey's state historic sites are open year round, Wednesday through Sunday from 10 a.m. to noon and from 1 p.m. to 4 p.m., although times may vary. Sites are closed Wednesdays following Monday holidays. For specific hours, please call the historic site you wish to visit. Sites open to the public are listed throughout the CAFR document.

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FISCAL YEAR ENDED JUNE 30, 2011
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Introduction





State of New Jersey

CHRIS CHRISTIE
Governor

DEPARTMENT OF THE TREASURY
OFFICE OF MANAGEMENT AND BUDGET
P.O. BOX 221
TRENTON, NJ 08625-0221

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

KIM GUADAGNO
Lt. Governor

CHARLENE M. HOLZBAUR
Director

January 5, 2012

Governor Chris Christie
Members of the State Legislature
New Jersey Citizens

In accordance with the provisions of N.J.S.52:27B-46, it is our pleasure to transmit to you the State of New Jersey's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011. The Department of the Treasury's Office of Management and Budget prepared this report, and is responsible for the accuracy, completeness, and fairness of all data presented, including all disclosures.

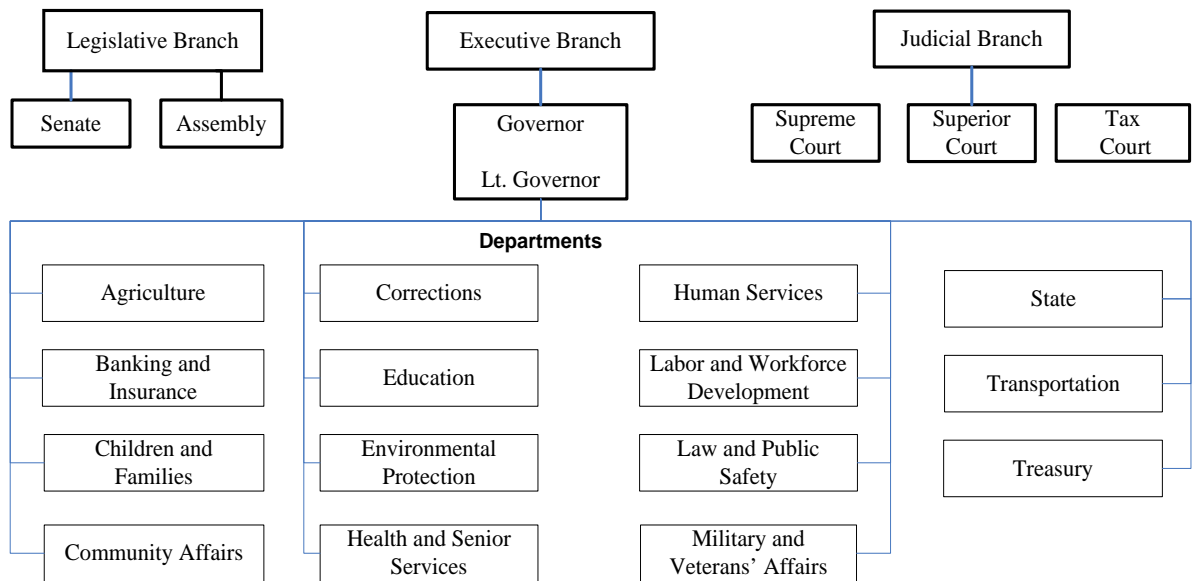
This CAFR presents the financial position and operating results of the State under generally accepted accounting principles (GAAP) applicable to State and local governments, as established by the Governmental Accounting Standards Board (GASB). The State also participates in the Government Finance Officers Association (GFOA) of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting review program.

The State operates in accordance with the standards provided in GASB Statements No. 34 and No. 35. In addition to providing traditional fund financial statements, the objective of this reporting model is to provide a single, unified, transparent picture of the State's fiscal health; thus, this CAFR clearly displays all of the State's revenues, costs, assets, and liabilities. This report also includes a Management's Discussion and Analysis section, which provides users with an objective and easy-to-read analysis of New Jersey's financial performance for the fiscal year ended June 30, 2011. We are confident that the data is accurate in all material respects and presented in a manner designed to set forth fairly the financial position and results of the State's operations, as measured by the fiscal activity of its various funds, and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial affairs.

NEW JERSEY GOVERNMENT

One of the original thirteen colonies, the State of New Jersey was the third state to ratify the United States Constitution in 1787. Adopted on July 2, 1776, New Jersey's original State Constitution subsequently was superseded by the State Constitution of 1844. During the summer of 1947, a constitutional convention met to prepare the current State Constitution, which State voters ratified in the general election held on November 4, 1947. New Jersey's State Constitution continues to be a living document, as State voters passed an amendment creating the position of Lieutenant Governor of New Jersey, effective with the 2009 election. The State Constitution divides the powers of government between three co-equal independent branches: Legislative, Executive, and Judicial.

ORGANIZATION OF NEW JERSEY STATE GOVERNMENT



Legislative: The State’s bicameral Legislative Branch, which consists of a total of 120 members from 40 legislative districts with elections held in odd-numbered years, meets in annual sessions in Trenton, the State’s capital. The 40 members of the State Senate are elected to terms of four years, except for the election following a decennial census, in which case the term is for two years. The 80 members of the General Assembly are elected to terms of two years. Neither State Senators nor Assembly Members are subject to term limits. The Office of Legislative Services (OLS) is a nonpartisan agency that provides legislators with legal, fiscal, research, information, and administrative services. Key OLS positions include an executive director, a legislative counsel, the state auditor, a legislative budget and finance officer, a director of central staff, a director of data management, and a director of administration.

Executive: The Office of the Chief Executive, which oversees the entire Executive Branch, consists of the Governor, the Lieutenant Governor, Cabinet-level department heads, and staff who are responsible for carrying out the Governor’s constitutional powers and duties. Upon direct election by a plurality of the State’s voters, both the Governor and the Lieutenant Governor may serve two successive terms of four years. With the exception of the Secretary of Agriculture, who is chosen by the Board of Agriculture with the Governor’s approval, the New Jersey State Constitution grants the Governor the authority to appoint the entire cabinet as well as all Superior Court Judges and county prosecutors, subject to confirmation by the New Jersey Senate. Department heads remain in office until their successors are named and confirmed by the Senate; the only exceptions are the Attorney General and the Secretary of State, who are appointed to serve throughout the Governor’s entire term. Although the State Constitution permits a maximum of 20 departments, the State’s payroll consisted of approximately 62,800 employees in 15 departments as of January 2011. The Executive Branch also oversees the performance of 566 municipalities and 604 school districts, and the incarceration and rehabilitation of approximately 21,800 prisoners. In addition to reliable transportation and protection for the State’s citizenry and environment, the Executive Branch provides social services for one out of every seven New Jersey citizens.

Judicial: New Jersey’s Supreme Court consists of a Chief Justice, who is the administrative head of all courts under the State’s jurisdiction, as well as six Associate Justices. In addition to Municipal and Tax Courts located throughout the State, there are Superior Courts, with a minimum of two Judges, in each of New Jersey’s 21 counties. After nomination by the Governor and subsequent confirmation by the State Senate, all Supreme Court Justices and Superior Court Judges serve initial terms of seven years. Should they be deemed eligible by both the Governor and the State Senate, Supreme Court Justices and Superior Court Judges acquire tenure with retirement at age 70 as mandated by the State Constitution. For purposes of judicial administration, the State is divided into 15 vicinages, each consisting of a single county or a combination of counties. The Administrative Office of the Courts provides support services. Approximately seven million

new cases are filed in New Jersey's courts every year, including six million in Municipal Court and one million in Superior Court. These cases address matters concerning civil, criminal, and family law.

With a total land area of 7,417.3 square miles, New Jersey ranks as the fifth smallest state within the United States of America. An estimated population of 8,733,000 as of July 2010 makes New Jersey the eleventh largest state in population, as well as the most densely populated of all the states with an average of 1,177 people per square mile.

The higher education system in New Jersey includes 3 public research universities, 9 State colleges and universities, 19 community colleges, 14 independent four-year colleges and universities, 6 proprietary institutions with degree-granting authority, 11 rabbinical schools and theological seminaries, and 2 independent two-year religious colleges.

COMPONENT UNITS

In accordance with the requirements of GASB Statement No. 14, *The Financial Reporting Entity*, this CAFR for fiscal year ended June 30, 2011 includes the accounts of 21 public authorities and 12 State colleges and universities. Public authorities are legal, separate entities that are not operating departments of the State. Governing boards are vested with the power to independently manage. Each component unit is established for a specific purpose for the benefit of the State's citizenry. GASB Statement No. 14 provides that the State's financial statements should emphasize the primary government and permit financial statement users to distinguish between the primary government and its component units. As a result, the transmittal letter, Management's Discussion and Analysis, and the financial statements focus on the primary government of the State and its activities, although information pertaining to the component units is presented. For additional information, please see Note 18 – Component Units.

Executive Order No. 122, signed on July 23, 2004, was established to direct the Board of Directors for each State Authority to create an Audit Committee whose members are to assist in the oversight of the financial reporting and audit processes of the Authority. Each member of the Audit Committee is independent of the Authority, with at least one member having a background in accounting or related financial expertise. The Audit Committee must assist the Board in retaining an independent auditor to conduct an audit. The auditor selection process must be based on public, competitive bidding principles and shall take place no less than once every five years. In order to ensure the independence of the auditor selection process, an evaluation committee shall be established by the Board to conduct the solicitation and evaluation of eligible auditors. The auditor selected shall report directly to the Audit Committee or the Board. At no time shall the auditor report to any staff member of the Authority. At least twice a year, the Audit Committee shall hold a private meeting with the auditor. In carrying out these duties, the Audit Committee shall proactively assist the Board in overseeing the integrity and quality of the Authority's financial statements, the Authority's compliance with legal, regulatory, and ethical requirements, the auditor's performance and ability to perform, and the performance of the Authority's own internal audit and internal control functions.

NEW JERSEY'S ECONOMIC CONDITION

The State and nation continue to cope with subpar economic conditions with a continuing risk of slipping back into recession. Nonetheless, some key New Jersey numbers have noticeably improved. Most notably, in each month from June through October, total payroll employment in the State was higher than in the same month of 2010; this has been the first time since early 2008 that payroll employment has been higher than in the same month of the previous year. The State's unemployment rate fell in August, September, and October. However, these positives are occurring against a troubling backdrop. Despite the recent gains, total and private payroll employment in the State in October were both about 200,000 under their 2008 peaks. Even after the recent declines the State's unemployment rate in October was 9.1 percent, slightly higher than the national rate of 9.0 percent.

Personal income grew briskly in the first half of 2011, an annual rate of growth of 9.7 percent in the first quarter and 4.1 percent in the second quarter. The level of personal income set new record highs in both the first and second quarters. Much of the recent strength in income reflects the temporary reduction in federal employee payroll taxes and income earned out of state by New Jersey residents. Even so, wages and salaries paid by New Jersey employers have been on a gradual uptrend, though their level is still short of the pre-recession peak.

As is the case for the nation as a whole, the State's residents continue to cope with substantial debt overhangs – New Jersey has the highest foreclosure rate in the Northeast – that limit their ability and willingness to boost spending on consumer goods and services and to purchase homes. With the fading of federal stimulus, and with the Federal Reserve unable to reduce short-term interest rates any further, the underlying weakness in household demand has become more evident. In this lackluster environment, even though profits are strong and credit conditions have eased somewhat, businesses are reluctant to aggressively expand employment and plant facilities. The soft economy has restrained the growth of public revenues and, coupled with the withdrawal of stimulus aid, put downward pressure on public sector spending and employment.

Looking forward, it is likely that the expansion will continue at a relatively hesitant pace, though there are significant risks of a renewed recession. In particular, financial markets have been unsettled by the European debt crisis and heightened uncertainty about U.S. tax and spending policy in the run-up to next year's Presidential election; last summer's downgrade of U.S. government debt by Standard & Poor's is a symptom of that uncertainty. In these unsettled conditions, a financial crisis could well occur. While in many ways U.S. financial institutions are more capable now of dealing with a crisis than they were in 2008, it seems less likely that policymakers will have the ability to address a crisis as forcibly as then, given the widespread criticism that has emerged since about some of the ways the earlier event was handled.

Nevertheless, there is reason to believe that going forward the national and state economies will gain a bit more forward momentum. In particular, the aftereffects of the Japanese earthquake on the world's industrial economy have faded, as has the impact of the recent run-up in oil prices. If financial markets then move toward normalization, particularly if Europe moves to put its debt problems on a clear path toward resolution, much of the recent heightening of uncertainty should dissipate, allowing deferred spending to come forward.

Looking ahead, the prospects are that New Jersey's housing sector will remain extremely weak. Permits will likely be under 15,000 units in 2011 for a third straight year. Motor vehicle sales, though, have firmed, with purchases of new vehicles through October more than 7.0 percent higher than in the same period of 2010, despite the shortages of some Japanese models.

For 2011 as a whole, New Jersey payroll employment is projected to average about 0.2 percent higher than in 2010 and grow around 1.5 percent in 2012; these will be the first annual gains in employment since 2007. The unemployment rate is expected to average 9.3 percent in 2011 and 8.6 percent in 2012. Personal income is expected to grow around 4.0 percent in 2011 and 3.7 percent in 2012.

As unemployment stays high and capacity utilization remains low, underlying inflation is expected to be low and is not likely to be a serious concern until after spending and employment growth move higher. Enhanced availability of credit, continued improvement in financial market stability, and gains in consumer and business confidence are critical factors necessary for a more pronounced economic turnaround in the nation and in New Jersey.

BUDGET AND ACCOUNTING

Legal Level of Control

The State's Annual Appropriations Act includes the General Fund, as well as certain Special Revenue Funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief). The departments maintain legal control at the appropriation line item level and exercise budgetary control by individual appropriations and allocations within annual appropriations to various programs and major expenditure objects. Program classifications represent a lower level operating program function, consisting of closely related activities with identifiable objectives or goals. Revisions to the annual Appropriations Act, reflecting program changes or interdepartmental transfers of an administrative nature, may be effected during the budget year with certain Executive and Legislative Branch approvals. Language, located in the "General Provisions" section of the State's annual Appropriations Act, enables management to amend a department's budget with approval by the Director of the Office of Management and Budget; under specific conditions, additional approval by the Office of Legislative Services is required. Only the State Legislature, however, may transfer appropriations between departments.

Accounting Systems

The Office of Management and Budget directs and supervises a central accounting system, which maintains all accounting records for the various State departments. The State's annual budget provides individual appropriations to departments for specific programs and purposes, while component units maintain separate accounting systems.

To ensure expenditures do not exceed appropriations and allocations, the State employs encumbrance accounting. Purchase orders, contracts, and other commitments involving monetary expenditures are encumbrances. Any unencumbered and unexpended non-continuing appropriations lapse at fiscal year's end.

Consideration as to the adequacy of internal controls is paramount in developing and maintaining the State's accounting system. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and guarantee that financial records are reliable for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from its use, and the evaluation of costs and benefits requires managerial estimates and judgments. All internal control evaluations occur within this framework.

RELEVANT FINANCIAL POLICIES

The New Jersey State Constitution, which mandates an annual balanced budget, directs, in part, that no money shall be drawn from the State Treasury but for appropriations made by law and that no law appropriating money for any State purpose shall be enacted if the appropriations contained therein, together with all prior appropriations made for the same fiscal period, shall exceed the total amount of the revenue on hand and anticipated to be available to meet such appropriations during such fiscal period, as certified by the Governor. Accordingly, during the fiscal year, the State may have to make several revenue and expenditure adjustments to ensure a positive fund balance. The State has had a balanced budget in every fiscal year since the adoption of the State Constitution in 1947.

Created as a "rainy day fund," the Surplus Revenue Fund is part of the General Fund's resources and fund balance, and accounts for excess revenues from prior fiscal years that are reserved legislatively and may be used to support current year's appropriations in the event that anticipated revenues in the General Fund are estimated to be less than those certified by the Governor upon approval of the annual Appropriations Act. The Surplus Revenue Fund was designed to build fund balance during economic upswings, and to be expended during economic downturns and emergency situations. Such an example occurred during Fiscal Year 2009 when, in response to the national recession, the State drained its entire Surplus Revenue Fund to help balance its budget. As of June 30, 2011, this Fund continued to have a zero balance.

The State employs a budgetary basis of accounting for all of its annual fiscal transactions. The budgetary basis differs from the GAAP basis, which is used to present fund financial statements, in that the former: 1) recognizes encumbrances as expenditures, 2) recognizes all federal revenues related to such encumbrances, and 3) reflects only current fiscal year transactions. The GAAP basis also requires that certain grants and other financial assistance be recorded as revenues and/or expenditures.

FINANCIAL TRENDS

Revenue History

Although State-budgeted Fiscal Year 2011 revenue collections of \$28.7 billion were almost \$4.0 billion less than those collected in pre-recession Fiscal Year 2008, there was a measurable improvement of \$779.7 million when compared to Fiscal Year 2010 revenue collections. In comparison to Fiscal Year 2008, Gross Income Tax collections in Fiscal Year 2011 were almost \$2 billion less; however, they also showed a marked increase of \$294.1 million in comparison to Fiscal Year 2010. With the current Fiscal Year 2012 estimate projected to be \$29.6 billion, the State's economic recovery trend remains optimistic. The Statistical Section provides a ten-year history of State-budgeted revenue collections.

Pension and Other Postemployment Benefits (OPEB) Obligations

The State has not fully funded its various pension plans for several years, and its post-retirement medical program is funded on a pay-as-you-go basis. This continued underfunding, coupled with the on-going investment decline and increased number of retirees receiving distributions, has led to the State's current net pension obligation of \$10.9 billion and an OPEB obligation of \$13.5 billion as of June 30, 2011. The total unfunded actuarial accrued liability (UAAL) for State and local pension plans was \$36.3 billion as of June 30, 2010, or a decrease of \$9.5 billion from June 30, 2009. The reduction in the UAAL is a result of the impact of P.L. 2011, c.78 which suspends additional cost-of-living adjustment (COLA) increases for current and future retirees. Without reform, the UAAL would have increased by \$8.1 billion. The total State and local OPEB unfunded actuarial accrued liability at June 30, 2010 was \$71.4 billion, or an increase of \$4.6 billion from the prior year. For updated information, Fiscal Year 2010 actuarial reports can be accessed via: <http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml>.

AUDIT INFORMATION

The principal auditor of the State's reporting entity is the Office of the State Auditor, which resides in the Legislative Branch of State government. The State Auditor's examination was conducted in accordance with generally accepted auditing standards, and its opinion precedes the Basic Financial Statements. Private sector public accounting firms have been used for the audits of separately issued component units and college and university financial statements. In addition, the Office of the State Auditor conducts periodic financial and expanded scope audits of various State agencies.

Additional information regarding the State's financial status, including prior year budgets, appropriations acts, and financial reports, is available on the State's web site (<http://www.state.nj.us/treasury/omb/>).

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The GFOA awarded the Certificate of Achievement for Excellence in Financial Reporting to the State of New Jersey for its CAFR for the fiscal year ended June 30, 2010. In order to qualify for this certificate, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report, of which the contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The State of New Jersey has received this award every year since 1993.

ACKNOWLEDGEMENTS

Finally, we express our grateful appreciation to the many dedicated professionals in the Office of Management and Budget and the Office of the State Auditor, whose work made possible the preparation of this report. We believe their combined efforts have produced a report that will provide a means for government, the financial community, decision makers, and concerned citizens to better understand and evaluate the State's financial condition.

Sincerely,



Andrew P. Sidamon-Eristoff
State Treasurer



Charlene M. Holzbaur
Director, Office of Management and Budget

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of New Jersey

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Enow

Executive Director

Historic Sites of New Jersey

Absecon Lighthouse
31 South Rhode Island Ave., Atlantic City, N.J. 08401
(609) 449-1360

New Jersey's tallest lighthouse awaits you at Pacific and Rhode Island Avenues in Atlantic City. Take an amazing journey back in time as you ascend the 228 steps of one of the oldest lighthouses in the country. You'll see breathtaking views of the Atlantic City skyline and you'll come face-to-face with the original first-order Fresnel Lens, first illuminated in 1857.

The lighthouse's recent multi-million dollar restoration also includes a stunning replica of the Light-keeper's dwelling, an educational museum, a charming gift shop, a Fresnel Lens exhibit in the original Oil House, and expansive grounds.

The lighthouse is leased by the nonprofit Inlet Public Private Association that hosts many special events throughout the year and offers special group tours and sleepover opportunities.

For more information, visit the web site at:

<http://www.abseconlighthouse.org/>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.



Financial Section



2008 - 2009

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New Jersey State Legislature

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JOHN J. TERMUNA

Assistant State Auditor

The Honorable Chris Christie

Governor of New Jersey

The Honorable Stephen M. Sweeney

President of the Senate

The Honorable Sheila Y. Oliver

Speaker of the General Assembly

Mr. Albert Porroni

Executive Director

Office of Legislative Services

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New Jersey as of and for the year ended June 30, 2011, which collectively comprise the state's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the State of New Jersey's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, the pensions and other employee benefits trust funds, and the Port Authority of New York and New Jersey which represent 100 percent of the assets and deferred outflows and revenues of the aggregate discretely presented component units, 90 percent of the assets and 52 percent of the revenues

(including additions to fiduciary net assets) of the aggregate remaining fund information, and 100 percent of the information disclosed in Note 2-C of the basic financial statements. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts and disclosures included for the discretely presented component units, the pensions and other employee benefits trust funds, and the Port Authority of New York and New Jersey, are based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the pensions and other employee benefits trust funds and three component units, the New Jersey Sports and Exposition Authority, the Atlantic City Convention and Visitors Authority, and the Casino Reinvestment Development Authority, were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of New Jersey's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of New Jersey as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2-A, the State of New Jersey adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2012 on our consideration of the State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison schedules, and the funding progress schedule for all pension trust funds and health benefits program fund are not a required part of the basic

financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of New Jersey's basic financial statements. The introductory section, combining financial statements – non-major funds section, other information section and the statistical section, listed in the table of contents, are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements – non-major funds section and the other information section have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink, appearing to read "Stephen M. Eells". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Stephen M. Eells
State Auditor
January 5, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following narrative provides an overview and analysis concerning New Jersey State Government's financial performance of its activities for the fiscal year ended June 30, 2011. Readers should consider this information in conjunction with the transmittal letter, which precedes Management's Discussion and Analysis, and the State's financial statements, which follow.

Since July 1, 2002, the State has been accounting and reporting under the standards outlined in the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Therefore, a majority of the information provided is not easily comparable to reporting periods prior to the fiscal year ended June 30, 2002. Year-to-year comparisons are provided in the Management's Discussion and Analysis and the Statistical Section. It is the intent of GASB Statement No. 34 to provide meaningful comparisons that will further explain the State's financial position and results of its operations.

FINANCIAL HIGHLIGHTS

Government-wide

- The primary government's assets and deferred outflows total \$36.9 billion, an increase of \$952.5 million from the prior fiscal year. As of June 30, 2011, liabilities exceeded assets and deferred outflows by \$34.2 billion. The State's unrestricted net assets, which represent net assets that have no statutory commitments and are available for discretionary use, totaled a negative \$45.1 billion. The negative balance is primarily a result of under funding the annual pension costs to the State's retirement systems and the State's recognition of other postemployment benefits under GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (See Note 17 – Retirement Systems, Health Benefits, and Post-Retirement Medical Benefits). Financing activities that have contributed to the State's negative unrestricted net asset amount include liabilities from pension bonds, the funding of a portion of local elementary and high school construction, and the securitization of a major portion of annual tobacco master settlement agreement receipts, with no corresponding assets.
- June 30, 2011 component unit assets and deferred outflows exceeded component unit liabilities and deferred inflows by \$17.3 billion. Total component unit assets and deferred outflows grew to \$45.8 billion, a \$3.4 billion increase from the prior fiscal year. Higher investment balances and capital assets represent the majority of this increase.

Fund Level

- The State's governmental funds reported June 30, 2011 combined ending fund balances of \$8.3 billion, which is an increase of \$926.0 million when compared to the prior fiscal year. Fund balances are segregated into the following categories: nonspendable, restricted, committed, and unassigned. The nonspendable fund balance classification (\$20.4 million) includes amounts that are legally required to remain intact. The restricted fund balance classification (\$4.4 billion) is used when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government. The committed fund balance classification (\$3.0 billion) includes amounts that can only be used for purposes specified in enabling legislation, with the consent of both the legislative and executive branches. In contrast to the restricted fund balance classification, amounts in this category may be redeployed for other purposes with appropriate due process. Finally, the unassigned fund balance (\$864.1 million) represents the fund balance amount that has not been restricted or committed to a specific purpose within the General Fund.
- During the fiscal year, the proprietary funds' net assets decreased by \$17.6 million resulting in net assets of negative \$784.0 million as of June 30, 2011.

Long-term Debt

- The State's long-term debt obligations increased 12.3 percent, to \$65.1 billion, which includes a net increase in bonded debt of \$1.1 billion. During the fiscal year, the State issued \$4.9 billion in bonds. New money issuances represented \$1.6 billion primarily for transportation system improvements, while \$3.3 billion represented five refunding transactions that provided the State with \$30.9 million in net present value savings. During Fiscal Year 2011, the State paid \$2.4 billion in debt service on its long-term obligations.
- Non-bonded portions of the State's long-term debt total \$27.0 billion. This amount represents a \$6.0 billion increase from the prior fiscal year and is mainly attributable to increases in Net Pension Obligation as well as the State's Other Postemployment Benefits (OPEB) Obligation.

OVERVIEW OF THE FINANCIAL STATEMENTS

The State's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This Comprehensive Annual Financial Report also contains required supplementary information (RSI) and other information, in addition to the basic financial statements.

Major Features of the Basic Financial Statements

Features	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire State government (except fiduciary funds) and the State's component units	State activities that are not proprietary or fiduciary	State activities that are operated similar to a private business	Instances in which the State is the trustee or agent for someone else's resources
Required Financial Statements	<ul style="list-style-type: none"> 1 Statement of Net Assets 1 Statement of Activities 	<ul style="list-style-type: none"> 1 Balance Sheet 1 Statement of Revenues, Expenditures, and Changes in Fund Balance 	<ul style="list-style-type: none"> 1 Statement of Net Assets 1 Statement of Revenues, Expenses, and Changes in Net Assets 1 Statement of Cash Flows 	<ul style="list-style-type: none"> 1 Statement of Fiduciary Net Assets 1 Statement of Changes in Fiduciary Net Assets
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Types of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Types of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	<ul style="list-style-type: none"> 1 Revenues for which cash is received during or soon after the end of the fiscal year 1 Expenditures when goods or services have been received and payment is due during the year or soon thereafter 	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements

Government-wide financial statements provide a broad view of the State's operations in a manner similar to private sector business standards, as well as both short-term and long-term information regarding the State's overall financial position through the fiscal year end. The government-wide financial statements include the following two statements:

- **Statement of Net Assets** Presents all of the State's assets and liabilities and calculates net assets. Increases or decreases in the State's net assets over time may serve as a useful indicator as to whether or not the State's overall financial position is improving or deteriorating.
- **Statement of Activities** Presents how the State's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event occurs, giving rise to the change, regardless of the timing of related cash flows. This statement also presents a comparison between direct expenses and program revenues for each State function.

Both the Statement of Net Assets and the Statement of Activities have separate sections that report three activities:

- **Governmental Activities** The majority of State service functions fall into this category, which includes Executive, Legislative, and Judicial Branch operations. Governmental activity functions rely heavily on State taxes and federal grant receipts for funding their respective programs and functions.
- **Business-type Activities** Certain State operations are legislatively able to charge fees to external users to recover all or a portion of the cost of the services provided and are, therefore, classified as business-type activities. The State Lottery Fund and the Unemployment Compensation Fund are two such examples.
- **Component Units** Legally separate operations and organizations, for which the State has financial accountability, are considered component units. Operating as business-type activities, financial statements of component units are presented

discretely in either the major or non-major categories in both the Statement of Net Assets and the Statement of Activities based upon the relative size of assets, liabilities, revenues, and expenses in relation to the total. The State's component units currently consist of twelve Senior Public institutions of higher education as well as 21 authorities; of the latter 21, five (the Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the New Jersey Transportation Trust Fund Authority, and the Tobacco Settlement Financing Corporation) are blended into governmental activities. A complete list of the State's component units is shown in Note 1B – Summary of Significant Accounting Policies – Financial Reporting Entity and Note 18 – Component Units. Audit reports of the individual component units can be obtained from their respective administrative offices.

Reconciliation of Government-wide and Governmental Funds Financial Statements

This Comprehensive Annual Financial Report includes two schedules that reconcile the amount reported on the governmental funds financial statements (modified accrual basis of accounting) with government-wide financial statements (accrual basis of accounting). The following summarizes the major differences between the financial reporting impacts of transitioning from a modified accrual basis of accounting to a full accrual basis of accounting:

- Capital assets used in governmental activities are not reported on governmental funds financial statements.
- Capital outlay spending results in capital assets on the government-wide financial statements, but is reported as expenditures on the governmental funds financial statements.
- Bond and note proceeds result in liabilities on the government-wide financial statements, but are recorded as other financing sources on the governmental funds financial statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide financial statements, but are reported as expenditures of the governmental funds financial statements.

For more detailed information, which is essential to a full understanding of the data provided in the government-wide financial statements and governmental funds financial statements, see “Notes to the Financial Statements.”

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances, and changes therein, which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The State's fund financial statements reflect financial reporting practices in accordance with this definition. The State's funds, which exclude component units, are divided into three categories—governmental, proprietary, and fiduciary.

- **Governmental Funds Financial Statements** Most direct state services are financed through governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental funds financial statements focus on current inflows and outflows of expendable resources and the unexpended balances at the end of a fiscal year that are available for future spending. Governmental fund information helps determine whether or not there was an addition or a reduction in financial resources that can be spent in the near future to finance State programs.

The State's governmental funds are the General Fund, Special Revenue Funds, and Capital Projects Funds. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The basic governmental funds financial statements can be found immediately following the government-wide financial statements.

- **Proprietary Funds Financial Statements** Proprietary funds are used to account for State business-type activities. Since these funds charge fees to external users, they are known as enterprise funds. Proprietary funds provide the same information as government-wide financial statements and use the accrual basis of accounting.
- **Fiduciary Funds Financial Statements** Fiduciary funds, which include State pension fund systems, are used to account for resources held by the State for the benefit of parties outside of State government. Fiduciary funds are reported using the accrual basis of accounting in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. Government-wide financial statements exclude fiduciary fund activity and balances since the assets are legislatively restricted in purpose and do not represent discretionary assets the State can use to fund its operations.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional background information that assists the reader in understanding the data provided in the government-wide financial statements and fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a required supplementary information section. This section includes budgetary schedules that reconcile the statutory intent of the program with fund balances in accordance with generally accepted accounting principles at fiscal year end as well as variances between the final budget and actual results on a budgetary basis. Also there is a Schedule of Funding Progress for all Pension Trust Funds and Health Benefits Program Fund.

Combining Financial Statements

Combining financial statements are presented for the non-major governmental, proprietary, and fiduciary funds. Non-major funds are shown in the aggregate in the basic financial statements.

Other Information

Information on New Jersey's capital assets, long-term obligations, and non-major budgetary comparison schedules are displayed in this section. Schedules of Anticipated and Appropriated Revenues provide detailed information on major and miscellaneous taxes, fees, and other revenues. The Schedule of Anticipated Revenue provides further analysis by showing dollar and percentage variances of actual collections as compared to the original anticipation. The Schedule of Appropriations and Expenditures details the comparison of expenditures at the legal level of control to the final budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

The State ended Fiscal Year 2011 with combined net assets for the primary government totaling a negative \$34.2 billion. This amount represents a reduction of net assets of \$5.2 billion from the prior fiscal year. Restricted net assets include funds used to pay unemployment claims and open space preservation. Capital assets, net of depreciation, are used by the State to provide services to citizens; consequently these assets are not available for future spending. Invested in capital assets, net of related debt, includes land, land improvements, buildings and improvements, machinery and equipment, infrastructure (roads, bridges, and other immovable assets), and construction in progress. The deficit in unrestricted governmental net assets arose primarily as a result of the cost of the State's school facilities construction program, depreciation expense related to capital assets, and certain liabilities, including but not limited to, the Net Pension Obligation and the Net OPEB Obligation, that are required to be included in the government-wide financial statements.

Net Assets For Fiscal Year Ended June 30 (Expressed in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Current and other noncurrent assets	\$ 12,575.0	\$ 11,913.6	\$ 1,534.2	\$ 1,938.1	\$ 14,109.2	\$ 13,851.7
Capital assets, net	22,799.8	21,793.5	-	-	22,799.8	21,793.5
Total Assets	35,374.8	33,707.1	1,534.2	1,938.1	36,909.0	35,645.2
Deferred outflows	24.9	336.1	-	-	24.9	336.1
Total Assets and Deferred Outflows	35,399.7	34,043.2	1,534.2	1,938.1	36,933.9	35,981.3
Current liabilities	5,255.5	5,407.4	434.8	551.1	5,690.3	5,958.5
Noncurrent liabilities	63,564.3	56,837.0	1,883.5	2,153.4	65,447.8	58,990.4
Total Liabilities	68,819.8	62,244.4	2,318.3	2,704.5	71,138.1	64,948.9
Net Assets:						
Invested in capital assets, net of related debt	6,999.7	6,439.8	-	-	6,999.7	6,439.8
Restricted	3,877.3	4,364.6	10.9	10.2	3,888.2	4,374.8
Unrestricted	(44,297.2)	(39,005.6)	(794.9)	(776.6)	(45,092.1)	(39,782.2)
Total Net Assets	\$ (33,420.2)	\$ (28,201.2)	\$ (784.0)	\$ (766.4)	\$ (34,204.2)	\$ (28,967.6)

Changes in Net Assets

The State's Fiscal Year 2011 net assets decreased by \$5.2 billion. Approximately 47.5 percent of the State's total revenues came from general taxes, while 31.7 percent was derived from operating grants. Charges for services amounted to 18.2 percent of total revenues, while other items such as capital grants, interest earnings, and miscellaneous revenues accounted for the remainder. State expenses cover a range of services. The largest expense, 23.0 percent, was for educational, cultural, and intellectual development, which includes approximately \$222.6 million disbursed by the New Jersey Schools Development Authority (a blended component unit) to help finance school facilities construction. Government direction, management and control amounted to 19.1 percent of total expenses, while physical and mental health amounted to 18.6 percent. Other major expenditures focused on economic planning, development, and security; public safety and criminal justice; and community development and environmental management. During Fiscal Year 2011, governmental activity expenses exceeded program revenues; this imbalance was mainly funded through \$27.9 billion of general revenues (mostly taxes and transfers). The remaining \$5.2 billion resulted in a decrease in net assets. The deficit net assets in the Business-type Activities of \$784.0 million resulted from the Unemployment Compensation Fund's need to pay claims in excess of available resources.

Statement of Activities For Fiscal Year Ended June 30 (Expressed in Millions)

	Governmental Activities		Business-type Activities		Primary Government Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues						
Charges for services	\$ 4,736.1	\$ 4,621.6	\$ 5,457.1	\$ 4,820.8	\$ 10,193.2	\$ 9,442.4
Operating grants	13,326.1	14,240.8	4,408.5	4,953.4	17,734.6	19,194.2
Capital grants	139.6	212.5	-	-	139.6	212.5
General revenues						
General taxes	26,569.4	25,745.0	-	-	26,569.4	25,745.0
Interest earnings	48.9	(63.2)	-	-	48.9	(63.2)
Miscellaneous	762.0	818.9	-	-	762.0	818.9
Total Revenues	45,582.1	45,575.6	9,865.6	9,774.2	55,447.7	55,349.8
Expenses						
Public safety and criminal justice	3,169.3	3,133.2	-	-	3,169.3	3,133.2
Physical and mental health	11,392.4	10,989.6	-	-	11,392.4	10,989.6
Educational, cultural, and intellectual development	14,091.6	15,013.1	-	-	14,091.6	15,013.1
Community development and environmental management	1,694.1	2,166.9	-	-	1,694.1	2,166.9
Economic planning, development, and security	6,729.5	6,663.1	-	-	6,729.5	6,663.1
Transportation programs	1,927.5	2,017.7	-	-	1,927.5	2,017.7
Government direction, management, and control	11,671.6	11,627.1	-	-	11,671.6	11,627.1
Special government services	348.9	337.9	-	-	348.9	337.9
Interest expense	1,227.7	1,125.8	-	-	1,227.7	1,125.8
State Lottery Fund	-	-	1,724.3	1,705.0	1,724.3	1,705.0
Unemployment Compensation Fund	-	-	7,206.6	8,214.4	7,206.6	8,214.4
Total Expenses	52,252.6	53,074.4	8,930.9	9,919.4	61,183.5	62,993.8
Excess (Deficiency) Before Transfers	(6,670.5)	(7,498.8)	934.7	(145.2)	(5,735.8)	(7,644.0)
Transfers	1,451.5	1,056.5	(952.3)	(942.2)	499.2	114.3
Increase (Decrease) in Net Assets	(5,219.0)	(6,442.3)	(17.6)	(1,087.4)	(5,236.6)	(7,529.7)
Net Assets - July 1	(28,201.2)	(21,758.9)	(766.4)	321.0	(28,967.6)	(21,437.9)
Net Assets - June 30	\$ (33,420.2)	\$ (28,201.2)	\$ (784.0)	\$ (766.4)	\$ (34,204.2)	\$ (28,967.6)

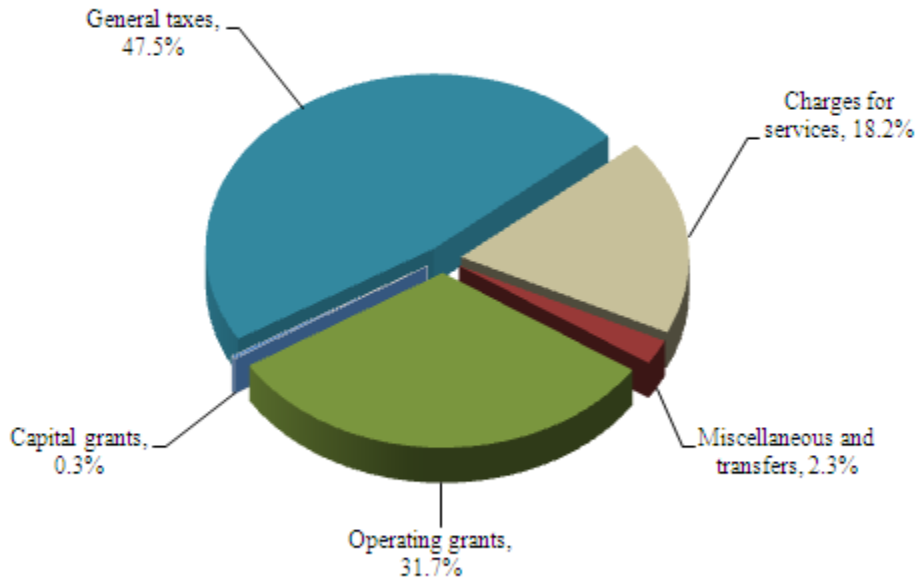
Primary Government – Fiscal Year 2011 Revenues and Expenses

During Fiscal Year 2011, State revenues, including transfers, totaled \$55.9 billion, or an increase of \$482.8 million when compared to the prior fiscal year. This increase in total revenues is primarily attributable to an overall increase in the State’s general taxes, especially the Gross Income Tax and, to a lesser degree, the Sales and Use and Corporate Business taxes. General taxes totaled \$26.6 billion and accounted for 47.5 percent of total State revenues for Fiscal Year 2011. The State’s Gross Income Tax totaled \$10.6 billion, the Sales and Use Tax totaled \$8.1 billion, and the Corporation Business Tax totaled \$2.3 billion. The State’s three major taxes comprised 79.4 percent of the total general taxes that were collected during Fiscal Year 2011. The State’s economy showed a slight improvement, as indicated by the \$824.4 million increase in general taxes when compared to Fiscal Year 2010.

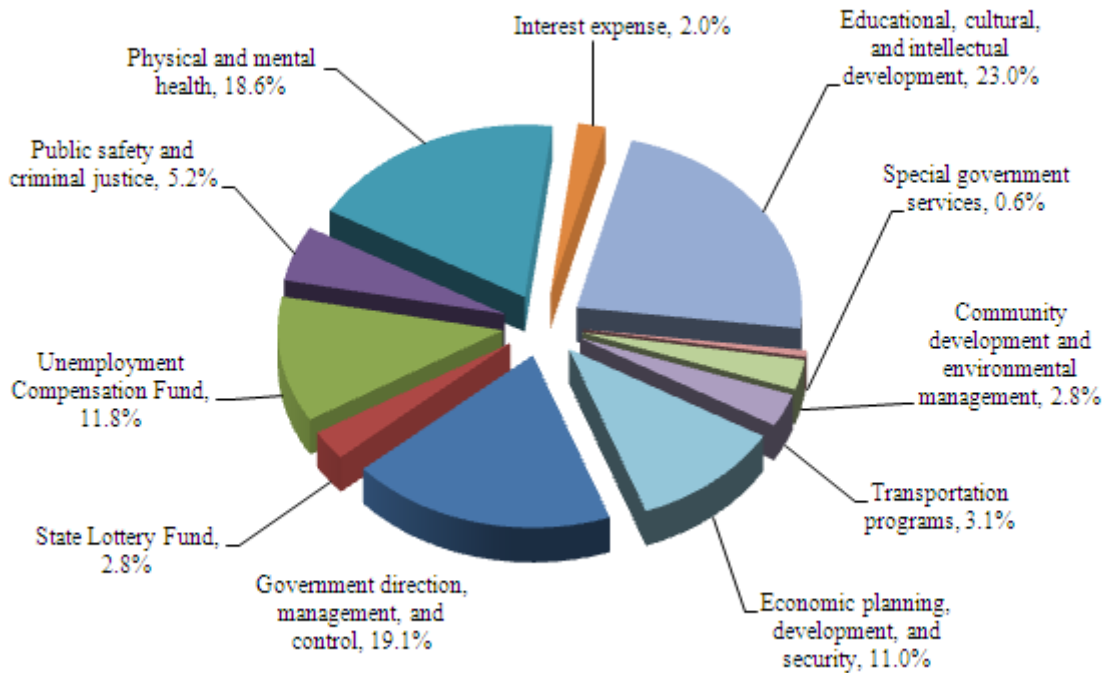
Fiscal Year 2011 expenses totaled \$61.2 billion, for a decrease of \$1.8 billion in comparison to the prior fiscal year. State spending increased by \$402.8 million in physical and mental health, \$66.4 million in economic planning, development, and security, and \$44.5 million in government direction, management, and control, which were offset by decreases of \$921.5 million in educational, cultural, and intellectual development, \$472.8 million in community development and environmental management, and \$1.0 billion in unemployment compensation.

The following pie charts depict primary government activities for revenues and expenses for the fiscal year ended June 30, 2011:

**Revenues – Primary Government
Fiscal Year Ended June 30, 2011**



**Expenses – Primary Government
Fiscal Year Ended June 30, 2011**



Please see the Statistical Section for current and prior fiscal year revenue and expense comparisons.

Component Units

Combined operating revenues and expenses for the State’s component units for Fiscal Year 2011 amounted to \$10.8 billion and \$11.5 billion, respectively. Total operations along with other revenue and expenses contributed to total combined net assets at fiscal year end of \$17.3 billion. The component units received \$1.1 billion in State appropriations during Fiscal Year 2011.

MAJOR GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The focus of the State’s governmental funds reported in the fund financial statements is on near term inflows, outflows, and balance of expendable resources, which are essential elements in assessing the State’s financing needs and serve as useful measures of the government’s net resources available for future spending. The State’s governmental funds reported June 30, 2011 fund balances of \$8.3 billion. The \$926.0 million increase in fund balance was primarily from greater Fiscal Year 2011 revenues resulting from the slightly improved economy.

The American Recovery and Reinvestment Act of 2009 (“ARRA”) provided federal fiscal stimulus funding to the State for Fiscal Years 2010 and 2011. Funding across both fiscal years totaled approximately \$3.3 billion. Fiscal Year 2010 funding of \$2.3 billion reflected \$1.0 billion for enhanced Medicaid funding, with the remainder primarily for fiscal stabilization which the State used as a resource for the General Fund. The Fiscal Year 2011 Appropriations Act assumed that the State would receive \$1.0 billion of federal ARRA stimulus funding; that amount subsequently was reduced by approximately \$200 million during Fiscal Year 2011. There is no federal stimulus funding expected in Fiscal Year 2012, as all ARRA funding expired on June 30, 2011.

General Fund

The General Fund is the State’s chief operating fund and is the fund into which all State revenues, not otherwise restricted by statute, are deposited. The General Fund’s ending fund balance totaled \$3.8 billion, of which \$864.1 million represented unassigned fund balance.

On a budgetary basis, general revenues of \$29.2 billion were \$4.1 billion lower than the final budget. The negative variance was primarily the result of unearned federal and other grant revenues of \$2.1 billion, plus declines of \$1.2 billion in other revenues, \$419.5 million in services and assessments, and \$497.4 million in taxes that were offset by a \$26.2 million increase in licenses and fees. Federal

and other grant revenues are not earned unless there has been a grant award and eligible grant expenses incurred. To the extent that federal and grant appropriations are made in anticipation of grant awards and the incurrence of grant expenditures, grant revenues are budgeted.

Total expenditures were \$4.7 billion lower than original appropriations as set forth in the annual Appropriations Act plus supplemental appropriations enacted during the fiscal year. A major cause for under-spending resulted from the overestimate of federal funds; this practice allows the State to receive the maximum federal dollars that become available. During Fiscal Year 2011, the State's appropriation of federal funds and other grants exceeded expenditures by \$2.1 billion; these excess appropriations are available for use in future years. From a Fiscal Year 2011 program perspective, under-spending transpired in physical and mental health (\$1.3 billion); community development and environmental management (\$745.7 million); economic planning, development, and security (\$706.5 million); public safety and criminal justice (\$701.7 million); government direction, management, and control (\$649.4 million); educational, cultural, and intellectual development (\$438.9 million); special government services (\$129.6 million); and transportation programs (\$42.5 million).

Property Tax Relief Fund

The Property Tax Relief Fund accounts for revenues from the Gross Income Tax and one-half percent of the Sales and Use Tax that is constitutionally dedicated for property tax relief. Appropriations from this fund must be used exclusively for the constitutional purpose of reducing or offsetting property taxes. During Fiscal Year 2011, \$10.8 billion of property tax relief expenditures were made. The Property Tax Relief Fund's Fiscal Year 2011 ending fund balance was \$431.0 million.

PROPRIETARY FUNDS FINANCIAL ANALYSIS

State Lottery Fund

Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets, vendor fees in the production and distribution of lottery tickets, and for the administrative expenses of the Division of the State Lottery. Available fund balances are transferred to the State's General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes, which are funded by the purchase of deposit fund contracts and United States Government Treasury securities, are accounted for in this fund.

In Fiscal Year 2011, gross revenues totaled \$2.7 billion, of which \$1.5 billion was returned in prizes, \$930.0 million went to state education and institutions, \$180.7 million was paid to sales agents and ticket vendors, and \$22.3 million covered Lottery operational and promotional expenses. As of June 30, 2011, the State Lottery, since its inception, has generated over \$52.2 billion in gross revenues, \$27.9 billion in prizes, and contributed \$20.0 billion to the State.

Unemployment Compensation Fund

The Unemployment Compensation Fund accounts for monies deposited from employers and employees contributions for unemployment compensation, amounts credited or advances made by the federal government, and amounts received from any other source. After consideration is given to any claim for refund of overpayment of contributions, the Division of Employment Security transfers the remainder to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund.

The economic difficulties experienced by the State of New Jersey and the nation have impacted claims against, and the funding of, the State's Unemployment Compensation Fund. Under State law, the rates for employers are subject to automatic annual adjustment, as necessary, to maintain the Fund's sufficiency. The Fund operates independently and its obligations are not payable from the State's General Fund. To provide for sufficient cash flow to fund unemployment claims, commencing on March 2009, the State, under federal law, applied to the United States Department of Labor for cash advances. As of October 31, 2011, \$1.4 billion of such advances are outstanding. Until the economic conditions in the State improve, the use of such advances is likely to continue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

New Jersey's Office of Management and Budget, under the purview of the Department of the Treasury, is responsible for recording all capital assets in the State's capital asset system. In addition to New Jersey's Department of Transportation identifying significant requirements for bridge repair and maintenance, the New Jersey Commission on Capital Budgeting and Planning has identified a significant amount of capital investment requirements for State facilities. The State's annual budget and planning process prioritizes these requirements and recommends funding, as can be accommodated within available resources. Over the last few years, New Jersey has faced large budget deficits and resources have been scarce.

The Fiscal Year 2011 capital appropriation included \$3.3 billion of State and matching federal funds for both the Department of Transportation and the New Jersey Transit Corporation. The State's share, funded through the New Jersey Transportation Trust Fund Authority, produced \$800.0 million for State highway infrastructure, \$200.0 million for local highways, and \$600.0 million for mass transit. During Fiscal Year 2011, the New Jersey Economic Development Authority did not issue any School Facilities Construction Bonds to help fund the New Jersey Schools Development Authority's program; accordingly, as of June 30, 2011, a total of \$8.6 billion of the \$12.5 billion school facilities construction bond program has been issued. The constitutional dedication of 4.0 percent of the Corporation Business Tax was appropriated to fund hazardous discharge cleanup, underground storage tank improvements, and surface water quality projects.

Capital asset data is shown below. The State’s investment in capital assets, net of accumulated depreciation, totaled \$22.8 billion as of June 30, 2011. Depreciation expense charges for Fiscal Year 2011 totaled \$737.1 million.

**Capital Assets (Net of Accumulated Depreciation)
As of June 30
(Expressed in Millions)**

	Total Primary Government	
	2011	2010
Land and Easements	\$ 4,765.1	\$ 4,669.5
Land Improvements	85.9	88.0
Buildings and Improvements	1,591.1	1,680.4
Machinery, Equipment and Software	412.6	319.8
Infrastructure	12,057.4	11,420.8
Sub-Total	18,912.1	18,178.5
Construction-In-Progress	3,887.7	3,615.0
Total	\$ 22,799.8	\$ 21,793.5

Notes:

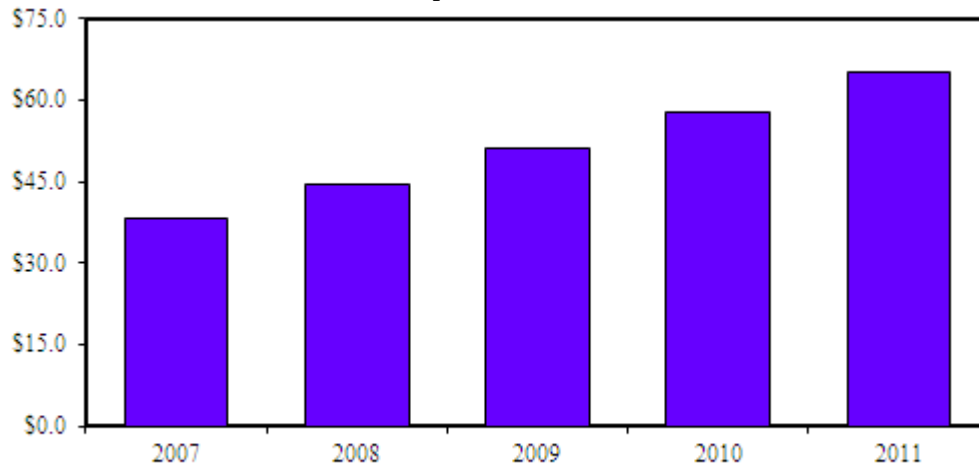
Funding for capital investment requirements is derived either from the State’s operating budget or from legislative-approved or voter-approved bonded debt.

For more detailed information about the State’s capital assets, see Note 7 – Capital Assets.

Debt Administration

As of June 30, 2011, New Jersey’s outstanding long-term obligations for governmental activities totaled \$65.1 billion, a \$7.1 billion increase over the prior fiscal year. Of the \$7.1 billion increase, \$5.9 billion is attributable to increases in the Net Pension Obligation and Net OPEB Obligation. Long-term bonded debt obligations totaled \$38.1 billion, while other long-term obligations totaled \$27.0 billion. In addition, the State has \$7.2 billion of legislatively authorized bonding capacity that has not yet been issued. As of June 30, 2011, the legislatively authorized but unissued debt decreased by \$1.6 billion (See Statistical Section – Legislatively Authorized But Unissued Debt, 2011 and 2010). The State’s long-term obligations for the past five fiscal years are shown below:

**Long-Term Obligations
Fiscal Year 2007 to Fiscal Year 2011
(Expressed in Billions)**



Note:

For more detailed information about the State’s long-term debt activity, see Note 10 – Long-Term Obligations.

ECONOMIC CONDITION AND OUTLOOK

New Jersey's economy has been gradually improving, with payroll employment modestly but steadily growing since January 2011. Nonetheless, the State's October 2011 unemployment rate of 9.4 percent was slightly higher than the national rate. The New Jersey economic forecasts as of November 2011, from the Treasury Department's Office of the Chief Economist, as well as those from Global Insight, Moody's Economy.com, and Rutgers University, call for continued improvement in economic conditions for the balance of 2011 and through 2012. However, the recovery remains fragile, with high unemployment and the loss of home values making many residents unusually vulnerable to any deterioration in the economic situation.

The economic outlook hinges on increased private demands for goods and services, given the unlikelihood that national fiscal and monetary policies will be providing any marked impetus to growth in the near term. Stability in the financial markets and improvements in consumer and business confidence are critical factors necessary to sustain growth nationally and in New Jersey.

The State and the nation may experience deterioration in growth, and the expected pace of economic expansion may decline, if consumers, investors, and businesses become more concerned about the job situation and credit availability. In that regard, the possibility that the European debt crisis could lead to reduced lending by U.S. financial firms is a significant risk. To a large extent, the future direction of the economy, both nationally and in New Jersey, also hinges on the assumptions regarding the relative strength of normal cyclical recovery forces and the behavior of energy prices. Based on the information available as of the date hereof, economic conditions in the State should continue to improve in the coming months, but the recovery remains fragile.

REQUEST FOR INFORMATION

This Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011 is designed to provide a general overview of the State of New Jersey's finances to our citizens, taxpayers, customers, investors, and creditors, and to demonstrate the State's accountability for the money it receives and the stewardship over its resources. Requests concerning any of the data presented in this Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011, or for additional information should be addressed to the State of New Jersey, Office of Management and Budget, P.O. Box 221, 33 West State Street, Trenton, New Jersey, 08625. Historical copies of the Comprehensive Annual Financial Report, the State Budget, and the Appropriations Handbook are accessible via: <http://www.state.nj.us/treasury/omb>.

Historic Sites of New Jersey

Allaire Village, Allaire State Park
P.O. Box 220, Farmingdale NJ 07727
(732) 938-2371

Allaire State Park is best known for Allaire Village, a well-preserved early 19th-century iron-making town with a general store, blacksmith shop, carpenter's shop, owner's house, foreman's house, church, and museum. Allaire Village Inc., a nonprofit corporation, sponsors more than 40 programs and events annually, including living history events, antique shows, arts and craft shows, and flea markets. For more information call (732) 919-3500 or visit the website.

Website:

<http://www.state.nj.us/dep/parksandforests/parks/allaire.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

*Basic Financial
Statements*

**STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
JUNE 30, 2011**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 171,061,616	\$ 840,620	\$ 171,902,236	\$ 2,275,525,715
Investments	5,936,176,694	265,822,222	6,201,998,916	3,268,707,939
Receivables, net of allowances for uncollectibles				
Federal government	881,517,022	108,264,286	989,781,308	290,671,953
Departmental accounts	2,477,267,789	781,448,246	3,258,716,035	-
Loans	1,634,838,324	-	1,634,838,324	260,130,591
Mortgages	-	-	-	72,382,000
Other	854,109,264	87,468,787	941,578,051	600,687,733
Internal balances	56,858,853	(56,858,853)	-	-
Due from external parties	9,060,006	-	9,060,006	174,076,344
Inventories	-	-	-	152,591,995
Deferred charges	-	11,803,793	11,803,793	-
Other	330,746,188	-	330,746,188	75,774,879
Total Current Assets	12,351,635,756	1,198,789,101	13,550,424,857	7,170,549,149
Noncurrent Assets				
Investments	-	335,430,609	335,430,609	9,915,499,287
Receivables, net of allowances for uncollectibles				
Loans	-	-	-	3,699,194,627
Mortgages	-	-	-	2,632,937,133
Other	-	-	-	119,679,581
Pension assets	6,450,152	-	6,450,152	-
Capital assets - nondepreciated	8,652,855,977	-	8,652,855,977	4,921,504,701
Capital assets - depreciated, net	14,146,927,197	-	14,146,927,197	16,538,715,155
Derivative instrument asset	-	-	-	45,993,767
Other	216,880,116	-	216,880,116	550,783,563
Total Noncurrent Assets	23,023,113,442	335,430,609	23,358,544,051	38,424,307,814
Deferred Outflows	24,909,599	-	24,909,599	190,566,196
Total Assets and Deferred Outflows	35,399,658,797	1,534,219,710	36,933,878,507	45,785,423,159

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
STATEMENT OF NET ASSETS (Continued)
JUNE 30, 2011

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Current Liabilities				
Accounts payable and accruals	2,233,768,547	232,280,010	2,466,048,557	1,302,071,321
Due to external parties	115,686,322	-	115,686,322	208,915,081
Interest payable	298,536,168	-	298,536,168	289,887,243
Deferred revenue	411,114,642	-	411,114,642	326,351,086
Current portion of long-term liabilities	1,871,686,978	110,302,504	1,981,989,482	783,851,439
Other	324,739,281	92,179,157	416,918,438	569,596,230
Total Current Liabilities	5,255,531,938	434,761,671	5,690,293,609	3,480,672,400
Noncurrent Liabilities				
Advance from federal government	-	1,547,056,469	1,547,056,469	-
Net pension obligation	10,857,719,370	-	10,857,719,370	26,857,308
Net OPEB obligation	13,501,000,000	-	13,501,000,000	527,514,370
Pollution remediation obligation	80,400,466	-	80,400,466	53,163,300
Derivative instrument liability	386,499,807	-	386,499,807	230,449,958
Other	38,738,681,049	336,455,128	39,075,136,177	24,134,163,011
Total Noncurrent Liabilities	63,564,300,692	1,883,511,597	65,447,812,289	24,972,147,947
Deferred Inflows	-	-	-	7,180,005
Total Liabilities and Deferred Inflows	68,819,832,630	2,318,273,268	71,138,105,898	28,460,000,352
NET ASSETS				
Invested in capital assets, net of related debt	6,999,719,543	-	6,999,719,543	9,055,370,617
Restricted for:				
Capital projects	-	-	-	129,724,474
Public safety and criminal justice	33,793,761	-	33,793,761	-
Physical and mental health	2,139,097	-	2,139,097	-
Educational, cultural, and intellectual development	650,101,528	-	650,101,528	-
Community development and environmental management	2,732,679,064	-	2,732,679,064	-
Economic planning, development and security	452,443,657	-	452,443,657	-
Transportation programs	6,164,699	-	6,164,699	-
Debt service	-	-	-	1,053,221,289
Other	-	10,863,699	10,863,699	4,739,784,480
Unrestricted	(44,297,215,182)	(794,917,257)	(45,092,132,439)	2,347,321,947
Total Net Assets	\$ (33,420,173,833)	\$ (784,053,558)	\$ (34,204,227,391)	\$ 17,325,422,807

**STATE OF NEW JERSEY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Functions - Programs				
Primary Government				
Governmental activities:				
Public safety and criminal justice	\$ 3,169,243,224	\$ 1,033,572,343	\$ 344,404,252	\$ 1,762,182
Physical and mental health	11,392,442,440	912,280,297	1,602,991,781	-
Educational, cultural, and intellectual development	14,091,594,552	119,794,744	1,023,643,416	-
Community development and environmental management	1,694,139,928	302,542,204	836,219,883	77,300,628
Economic planning, development, and security	6,729,458,867	1,190,528,424	940,258,725	-
Transportation programs	1,927,528,568	27,535,451	830,707,748	60,416,237
Government direction, management, and control	11,671,622,595	995,334,952	7,736,655,610	-
Special government services	348,911,026	154,524,849	11,262,017	137,257
Interest expense	<u>1,227,682,893</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>52,252,624,093</u>	<u>4,736,113,264</u>	<u>13,326,143,432</u>	<u>139,616,304</u>
Business-type activities:				
State Lottery Fund	1,724,343,261	2,676,881,894	365,309	-
Unemployment Compensation Fund	<u>7,206,655,104</u>	<u>2,780,233,027</u>	<u>4,408,140,359</u>	<u>-</u>
Total business-type activities	<u>8,930,998,365</u>	<u>5,457,114,921</u>	<u>4,408,505,668</u>	<u>-</u>
Total Primary Government	<u>\$ 61,183,622,458</u>	<u>\$ 10,193,228,185</u>	<u>\$ 17,734,649,100</u>	<u>\$ 139,616,304</u>
Component Units				
Authorities	\$ 5,825,244,331	\$ 2,660,194,090	\$ 1,867,591,046	\$ 1,043,310,406
Colleges and Universities	<u>5,664,515,883</u>	<u>3,094,597,036</u>	<u>2,149,711,040</u>	<u>12,790,003</u>
Total Component Units	<u>\$ 11,489,760,214</u>	<u>\$ 5,754,791,126</u>	<u>\$ 4,017,302,086</u>	<u>\$ 1,056,100,409</u>

General Revenues and Transfers

Taxes:

Gross Income Tax
Sales and Use Tax
Corporate Business Tax
Other taxes

Investment earnings

Payments from State

Miscellaneous

Transfers

Total general revenues and transfers

Change in Net Assets

Net Assets - July 1, 2010 (Restated)

Net Assets - June 30, 2011

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Assets

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (1,789,504,447)	\$ -	\$ (1,789,504,447)	\$ -
(8,877,170,362)	-	(8,877,170,362)	-
(12,948,156,392)	-	(12,948,156,392)	-
(478,077,213)	-	(478,077,213)	-
(4,598,671,718)	-	(4,598,671,718)	-
(1,008,869,132)	-	(1,008,869,132)	-
(2,939,632,033)	-	(2,939,632,033)	-
(182,986,903)	-	(182,986,903)	-
(1,227,682,893)	-	(1,227,682,893)	-
<u>(34,050,751,093)</u>	<u>-</u>	<u>(34,050,751,093)</u>	<u>-</u>
-	952,903,942	952,903,942	-
-	(18,281,718)	(18,281,718)	-
-	934,622,224	934,622,224	-
<u>(34,050,751,093)</u>	<u>934,622,224</u>	<u>(33,116,128,869)</u>	<u>-</u>
-	-	-	(254,148,789)
-	-	-	(407,417,804)
-	-	-	<u>(661,566,593)</u>
10,617,034,179	-	10,617,034,179	-
8,144,397,344	-	8,144,397,344	-
2,344,428,939	-	2,344,428,939	-
5,463,530,394	-	5,463,530,394	-
48,917,327	-	48,917,327	-
-	-	-	1,127,048,695
761,968,256	-	761,968,256	-
1,451,471,652	(952,271,652)	499,200,000	-
<u>28,831,748,091</u>	<u>(952,271,652)</u>	<u>27,879,476,439</u>	<u>1,127,048,695</u>
(5,219,003,002)	(17,649,428)	(5,236,652,430)	465,482,102
<u>(28,201,170,831)</u>	<u>(766,404,130)</u>	<u>(28,967,574,961)</u>	<u>16,859,940,705</u>
<u>\$ (33,420,173,833)</u>	<u>\$ (784,053,558)</u>	<u>\$ (34,204,227,391)</u>	<u>\$ 17,325,422,807</u>

**STATE OF NEW JERSEY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 59,576,440	\$ -	\$ 111,485,176	\$ 171,061,616
Investments	2,434,362,547	-	3,501,814,147	5,936,176,694
Receivables, net of allowances for uncollectibles				
Federal government	671,217,496	-	101,467,806	772,685,302
Departmental accounts	1,617,316,710	462,636,073	397,315,006	2,477,267,789
Loans	379,447,911	-	1,255,390,413	1,634,838,324
Other	190,741,045	-	293,625,178	484,366,223
Due from other funds	1,024,427,624	219,933,451	429,707,384	1,674,068,459
Other	4,993,856	-	13,313	5,007,169
Total Assets	<u>\$ 6,382,083,629</u>	<u>\$ 682,569,524</u>	<u>\$ 6,090,818,423</u>	<u>\$ 13,155,471,576</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accruals	\$ 1,563,012,424	\$ 40,290,513	\$ 630,465,610	\$ 2,233,768,547
Deferred revenue	401,246,235	-	159,108,407	560,354,642
Due to other funds	494,084,244	94,860,255	1,134,891,423	1,723,835,922
Other	156,427,715	116,450,180	51,861,386	324,739,281
Total Liabilities	<u>2,614,770,618</u>	<u>251,600,948</u>	<u>1,976,326,826</u>	<u>4,842,698,392</u>
Fund Balances				
Nonspendable	20,419,760	-	-	20,419,760
Restricted	985,899,963	-	3,417,751,271	4,403,651,234
Committed	1,896,868,421	430,968,576	696,740,326	3,024,577,323
Unassigned	864,124,867	-	-	864,124,867
Total Fund Balances	<u>3,767,313,011</u>	<u>430,968,576</u>	<u>4,114,491,597</u>	<u>8,312,773,184</u>
Total Liabilities and Fund Balances	<u>\$ 6,382,083,629</u>	<u>\$ 682,569,524</u>	<u>\$ 6,090,818,423</u>	<u>\$ 13,155,471,576</u>

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2011

Total fund balances - governmental funds \$ 8,312,773,184

Amounts reported for governmental activities in the statement of net assets are different as a result of the following items:

The State has receivables which are not current resources and therefore are not reported in the fund perspective. 478,574,761

In the government-wide statements deferred issuance costs are capitalized and amortized over a period of years, but are reported as expenditures in the fund perspective. 325,739,019

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund perspective. These assets consist of :

Infrastructure assets	\$	19,698,229,843	
Buildings and improvements		3,380,774,749	
Land and land improvements		4,984,315,693	
Other capital assets		4,766,561,426	
Accumulated depreciation		<u>(10,030,098,537)</u>	22,799,783,174

Deferred tobacco settlement revenue recorded in the fund perspective is recognized as revenue and not deferred in the statement of net assets. 149,240,000

Deferred outflows are not current resources and therefore are not reported in the fund perspective. 24,909,599

The pension and other assets are not current resources and therefore are not reported in the fund perspective. 223,330,268

Some liabilities are not due and payable in the current period and therefore are not reported in the fund perspective. Those liabilities consist of:

Current Liabilities			
Accrued interest		(298,536,168)	
Current portion of long-term obligations		<u>(1,871,686,978)</u>	(2,170,223,146)

Noncurrent Liabilities			
Bonds and notes payable		(21,797,506,964)	
Installment obligations		(18,230,949,601)	
Loans payable		(1,279,358,087)	
Capital leases		(482,512,519)	
Compensated absences		(279,899,551)	
Unamortized deferral on refunding bonds		970,473,476	
Unamortized premium		(1,403,948,618)	
Tobacco Settlement Financing Corporation Bonds		(4,451,177,756)	
Unamortized discount on Capital Appreciation Bonds		8,216,198,571	
Net pension obligation		(10,857,719,370)	
Net OPEB obligation		(13,501,000,000)	
Pollution remediation obligation		(80,400,466)	
Derivative instrument liability		<u>(386,499,807)</u>	<u>(63,564,300,692)</u>

Net assets of governmental activities \$ (33,420,173,833)

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 13,639,804,118	\$ 11,233,777,661	\$ 1,681,557,347	\$ 26,555,139,126
Federal and other grants	11,698,061,097	-	1,083,667,085	12,781,728,182
Licenses and fees	1,185,312,317	-	111,104,265	1,296,416,582
Services and assessments	1,660,637,465	-	1,131,931,313	2,792,568,778
Investment earnings	33,472,956	-	17,506,550	50,979,506
Contributions	2,110	-	87,571	89,681
Other	2,245,999,860	-	365,541,991	2,611,541,851
Total Revenues	<u>30,463,289,923</u>	<u>11,233,777,661</u>	<u>4,391,396,122</u>	<u>46,088,463,706</u>
EXPENDITURES				
Current:				
Public safety and criminal justice	3,165,461,351	-	101,687,708	3,267,149,059
Physical and mental health	11,009,795,145	135,827,988	261,859,456	11,407,482,589
Educational, cultural, and intellectual development	4,385,848,692	9,672,631,828	255,144,806	14,313,625,326
Community development and environmental management	1,315,075,385	264,614,135	187,128,563	1,766,818,083
Economic planning, development, and security	5,567,333,851	29,678,000	1,176,478,378	6,773,490,229
Transportation programs	483,812,074	-	2,435,805,614	2,919,617,688
Government direction, management, and control	5,199,134,126	712,112,558	259,340,794	6,170,587,478
Special government services	350,275,034	-	187,784	350,462,818
Capital Outlay	81,710,372	-	-	81,710,372
Debt Service:				
Principal	23,355,000	-	399,945,000	423,300,000
Interest	97,035,805	-	737,657,030	834,692,835
Total Expenditures	<u>31,678,836,835</u>	<u>10,814,864,509</u>	<u>5,815,235,133</u>	<u>48,308,936,477</u>
Excess (deficiency) of revenues over expenditures	<u>(1,215,546,912)</u>	<u>418,913,152</u>	<u>(1,423,839,011)</u>	<u>(2,220,472,771)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	1,600,000,000	1,600,000,000
Transfers from other funds	2,331,407,499	-	3,153,696,241	5,485,103,740
Transfers to other funds	(1,123,076,333)	-	(2,910,545,008)	(4,033,621,341)
Other sources	2,951,534,929	-	577,062,400	3,528,597,329
Other uses	(2,869,824,558)	-	(563,746,712)	(3,433,571,270)
Total other financing sources (uses)	<u>1,290,041,537</u>	<u>-</u>	<u>1,856,466,921</u>	<u>3,146,508,458</u>
Net Change in Fund Balance	74,494,625	418,913,152	432,627,910	926,035,687
Fund Balances - July 1, 2010 (Restated)	<u>3,692,818,386</u>	<u>12,055,424</u>	<u>3,681,863,687</u>	<u>7,386,737,497</u>
Fund Balances - June 30, 2011	<u>\$ 3,767,313,011</u>	<u>\$ 430,968,576</u>	<u>\$ 4,114,491,597</u>	<u>\$ 8,312,773,184</u>

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
RECONCILIATION OF THE CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Net change in fund balance - total governmental funds \$ 926,035,687

Amounts reported for governmental activities in the statement of activities are different as a result of the following items:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 1,642,710,772	
Depreciation expense	(636,412,501)	
Excess of capital outlay over depreciation expense		1,006,298,271

Bond proceeds provide current financial resources to governmental funds. However, issuing debt increases long-term obligations in the statement of net assets. In the current period, proceeds were received from revenue and general obligation bonds. (1,600,000,000)

Some capital additions were financed through capital leases, certificates of participation and installment obligations. In the governmental funds these arrangements are considered a source of financing, but in the statement of net assets, these arrangements are reported as an obligation. (81,710,372)

The changes in fair value related to nonqualifying swap agreements are not considered current resources and are only reported in the statement of activities. 13,632,786

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term obligations in the statement of net assets. In the current year, these amounts consist of:

Bond principal retirement	418,650,000	
Capital lease payments	66,041,171	
Installment obligation retirement	442,899,649	
Certificates of participation retirement	20,243,625	
Tobacco Settlement Financing Corp. bond retirement	24,805,000	
Total long-term obligations repayment		972,639,445

Some revenues will not be collected for several months after the fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds. The Fiscal Year 2011 receivable balances decreased by this amount. (24,237,712)

Some revenues recorded in the statement of activities do not provide current financial resources and therefore are deferred in the fund perspective. 1,765,000

In the government-wide statements certain items are capitalized and amortized over a period of years, but are reported as expenditures or other financing sources and uses in the fund perspective. These activities consist of:

Decrease in unamortized premiums	99,499,286	
Decrease in deferral on refunding issues	(135,234,363)	
Increase in deferred issuance costs	(16,997,610)	
Decrease in bond discount	(879,685)	
Total capitalized and amortized items		(53,612,372)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are reported as expenditures or reductions of revenue in governmental funds. These activities consist of:

Net increase in accrued interest	(370,570,668)	
Increase in compensated absences, medicaid, and other	(95,764,334)	
Decrease in pension assets	(276,668)	
Increase in net pension and OPEB obligations	(5,926,912,044)	
Decrease in pollution remediation obligation	12,253,356	
Increase in other assets	1,456,623	
Total additional expenditures and revenue reductions		(6,379,813,735)

Change in net assets of governmental activities \$ (5,219,003,002)

The accompanying notes are an integral part of the financial statements.

**STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011**

	State Lottery Fund	Unemployment Compensation Fund	Total Proprietary Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 601,305	\$ 239,315	\$ 840,620
Investments	265,721,364	100,858	265,822,222
Receivables, net of allowances for uncollectibles			
Federal government	-	108,264,286	108,264,286
Departmental accounts	-	781,448,246	781,448,246
Other	28,096,451	59,372,336	87,468,787
Due from other funds	-	48,547,024	48,547,024
Deferred charges	10,007,940	1,795,853	11,803,793
Total Current Assets	304,427,060	999,767,918	1,304,194,978
Noncurrent Assets			
Investments	335,430,609	-	335,430,609
Total Assets	639,857,669	999,767,918	1,639,625,587
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	77,914,686	154,365,324	232,280,010
Due to other funds	104,321,652	1,084,225	105,405,877
Current portion of long-term obligations	110,302,504	-	110,302,504
Other	-	92,179,157	92,179,157
Total Current Liabilities	292,538,842	247,628,706	540,167,548
Noncurrent Liabilities			
Advance from federal government	-	1,547,056,469	1,547,056,469
Due in more than one year	336,455,128	-	336,455,128
Total Noncurrent Liabilities	336,455,128	1,547,056,469	1,883,511,597
Total Liabilities	628,993,970	1,794,685,175	2,423,679,145
NET ASSETS			
Restricted for:			
Other purposes	10,863,699	-	10,863,699
Unrestricted	-	(794,917,257)	(794,917,257)
Total Net Assets	\$ 10,863,699	\$ (794,917,257)	\$ (784,053,558)

The accompanying notes are an integral part of the financial statements.

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
OPERATING REVENUES			
Sales and charges for services	\$ 2,636,447,566	\$ -	\$ 2,636,447,566
Assessments	-	2,779,897,234	2,779,897,234
From federal agencies	-	4,408,140,359	4,408,140,359
Other	40,434,328	335,793	40,770,121
Total Operating Revenues	<u>2,676,881,894</u>	<u>7,188,373,386</u>	<u>9,865,255,280</u>
OPERATING EXPENSES			
Unemployment compensation	-	7,213,229,565	7,213,229,565
Lottery prize awards	1,543,672,564	-	1,543,672,564
Other	180,670,697	-	180,670,697
Total Operating Expenses	<u>1,724,343,261</u>	<u>7,213,229,565</u>	<u>8,937,572,826</u>
Operating Income (Loss)	<u>952,538,633</u>	<u>(24,856,179)</u>	<u>927,682,454</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	365,309	-	365,309
Other	-	6,574,461	6,574,461
Total Nonoperating Revenues (Expenses)	<u>365,309</u>	<u>6,574,461</u>	<u>6,939,770</u>
Income (Loss) Before Transfers	952,903,942	(18,281,718)	934,622,224
Transfers to other funds	(952,271,652)	-	(952,271,652)
Change in Net Assets	632,290	(18,281,718)	(17,649,428)
Net Assets - July 1, 2010	<u>10,231,409</u>	<u>(776,635,539)</u>	<u>(766,404,130)</u>
Net Assets - June 30, 2011	<u>\$ 10,863,699</u>	<u>\$ (794,917,257)</u>	<u>\$ (784,053,558)</u>

The accompanying notes are an integral part of the financial statements.

**STATE OF NEW JERSEY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Total Proprietary Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts received from customers	\$ 1,296,367,920	\$ -	\$ 1,296,367,920
Receipts from federal and local agencies	-	4,826,507,467	4,826,507,467
Receipts from assessments	-	2,347,937,785	2,347,937,785
Payments to suppliers	(35,615,981)	-	(35,615,981)
Payments to prize winners	(428,455,103)	-	(428,455,103)
Claims paid	-	(6,971,860,874)	(6,971,860,874)
Other receipts (payments)	107,917,560	-	107,917,560
Net cash provided (used) by operating activities	<u>940,214,396</u>	<u>202,584,378</u>	<u>1,142,798,774</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Loan from (payment to) federal government	-	(202,507,065)	(202,507,065)
Transfers to other funds	(941,943,489)	-	(941,943,489)
Other	-	(395,005)	(395,005)
Net cash provided (used) by noncapital financing activities	<u>(941,943,489)</u>	<u>(202,902,070)</u>	<u>(1,144,845,559)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	1,118,113,000	-	1,118,113,000
Purchase of investments	(1,116,400,000)	-	(1,116,400,000)
Net cash provided (used) by investing activities	<u>1,713,000</u>	<u>-</u>	<u>1,713,000</u>
Net increase (decrease) in cash and cash equivalents	(16,093)	(317,692)	(333,785)
Cash and cash equivalents - July 1, 2010	617,398	557,007	1,174,405
Cash and cash equivalents - June 30, 2011	<u>\$ 601,305</u>	<u>\$ 239,315</u>	<u>\$ 840,620</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 952,538,633	\$ (24,856,179)	\$ 927,682,454
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Net changes in assets and liabilities:			
Current assets	13,284,513	242,425,310	255,709,823
Noncurrent assets	67,393,613	-	67,393,613
Current liabilities	(11,927,324)	(14,984,753)	(26,912,077)
Noncurrent liabilities	(81,075,039)	-	(81,075,039)
Net cash provided (used) by operating activities	<u>\$ 940,214,396</u>	<u>\$ 202,584,378</u>	<u>\$ 1,142,798,774</u>

The accompanying notes are an integral part of the financial statements.

Historic Sites of New Jersey

Barnegat Lighthouse, Barnegat Lighthouse State Park
P.O. Box 167, Barnegat Light, N.J. 08006
(609) 494-2016

The site of Barnegat Lighthouse on the northern tip of Long Beach Island, Ocean County was regarded as one of the most crucial "change of course" points for coastal vessels. Vessels traveling along the New Jersey coastline depended on Barnegat Lighthouse to avoid the shoals extending from the shoreline. The swift currents, shifting sandbars, and the offshore shoals challenged the skills of even the most experienced sailor. The park is designated as a maritime site on the New Jersey Coastal Heritage Trail. A panoramic view of Island Beach, Barnegat Bay, and Long Beach Island awaits visitors at the top of the lighthouse.

For more information, visit the web sites at:

<http://www.state.nj.us/dep/parksandforests/parks/barnlig.html>

or

<http://www.friendsofbarnegatlighthouse.org/>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011**

	Agency Funds	Investment Trust Fund
ASSETS		
Cash and cash equivalents	\$ 9,515,780	\$ 353,282
Securities lending collateral	-	-
Investments	91,635,316	3,353,439,203
Receivables, net of allowances for uncollectibles		
Members	43,667	-
Employers	1,274,762	-
Interest and dividends	-	-
Departmental accounts	-	-
Other	-	4,952,246
Due from other funds	25,481,987	-
Total Assets	127,951,512	3,358,744,731
LIABILITIES		
Accounts payable	126,870,642	10,498,267
Benefits payable	-	-
Securities lending collateral and rebates payable	-	-
Due to other funds	1,080,870	2,077,942
Total Liabilities	127,951,512	12,576,209
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	\$ -	\$ 3,346,168,522

The accompanying notes are an integral part of the financial statements.

Pension and Other Employee Benefits Trust Funds	Private Purpose Trust Funds
\$ 17,800,793	\$ 1,821,931
854,857,725	-
77,285,459,641	12,433,570
163,615,463	-
3,026,599,925	-
407,796,903	-
-	-
91,137,002	-
1,333,153,675	-
<u>83,180,421,127</u>	<u>14,255,501</u>
117,172,276	4,189,305
1,135,532,291	-
853,754,528	-
6,641,343	192,518
<u>2,113,100,438</u>	<u>4,381,823</u>
<u>\$ 81,067,320,689</u>	<u>\$ 9,873,678</u>

**STATE OF NEW JERSEY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Investment Trust Fund</u>	<u>Pension and Other Employee Benefits Trust Funds</u>	<u>Private Purpose Trust Funds</u>
ADDITIONS			
Contributions:			
Members	\$ -	\$ 2,094,692,660	\$ -
Employers	-	5,359,263,788	-
Other	<u>13,588,664,989</u>	<u>5,119,179</u>	<u>-</u>
Total Contributions	<u>13,588,664,989</u>	<u>7,459,075,627</u>	<u>-</u>
Investment Income:			
Net increase (decrease) in fair value of investments	-	9,943,476,552	-
Interest and dividends	<u>9,047,245</u>	<u>2,063,599,631</u>	<u>44,305</u>
Total Investment Income	<u>9,047,245</u>	<u>12,007,076,183</u>	<u>44,305</u>
Less investment expense	<u>-</u>	<u>13,416,972</u>	<u>-</u>
Net Investment Income	<u>9,047,245</u>	<u>11,993,659,211</u>	<u>44,305</u>
Miscellaneous	<u>-</u>	<u>-</u>	<u>692,846</u>
Total Additions	<u>13,597,712,234</u>	<u>19,452,734,838</u>	<u>737,151</u>
DEDUCTIONS			
Benefit payments	-	12,820,748,823	-
Refunds of contributions	-	162,706,881	-
Refunds and transfers to other systems	-	-	10,747
Administrative expense	2,077,942	50,126,876	-
Payments in accordance with trust agreements	-	-	886,378
Distributions to shareholders	<u>14,227,141,869</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>14,229,219,811</u>	<u>13,033,582,580</u>	<u>897,125</u>
Total Changes in Net Assets Held in Trust	(631,507,577)	6,419,152,258	(159,974)
Net Assets - July 1, 2010	<u>3,977,676,099</u>	<u>74,648,168,431</u>	<u>10,033,652</u>
Net Assets - June 30, 2011	<u>\$ 3,346,168,522</u>	<u>\$ 81,067,320,689</u>	<u>\$ 9,873,678</u>

The accompanying notes are an integral part of the financial statements.

Historic Sites of New Jersey

Batsto Village, Wharton State Forest
Batsto, RD. #9, Hammonton, N.J. 08037
(609) 561-0024

Wharton State Forest is the largest single tract of land within the New Jersey State Park System and the home to Batsto Village. This Pine Barrens village is composed of 33 historic buildings and structures including the Batsto Mansion, gristmill, sawmill, general store, workers' homes and a post office. Batsto Village was a former iron bog and glassmaking industrial center from 1766 to 1867 and currently reflects the agricultural and commercial enterprises that existed there during the late 19th century.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/wharton.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
STATEMENT OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2011**

	New Jersey Transit Corporation	New Jersey Turnpike Authority	Rutgers, The State University of New Jersey
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 236,837,656	\$ 183,730,835	\$ 184,941,000
Investments	-	788,562,540	354,436,000
Receivables, net of allowances for uncollectibles			
Federal government	216,408,004	-	-
Loans	-	-	8,245,000
Mortgages	-	-	-
Other	34,369,865	49,959,551	112,779,000
Due from external parties	97,380,960	1,741,958	-
Inventories	117,852,642	16,158,428	4,261,000
Other	6,713,786	24,678,689	12,965,000
Total Current Assets	<u>709,562,913</u>	<u>1,064,832,001</u>	<u>677,627,000</u>
Noncurrent Assets			
Investments	1,555,744,244	2,500,786,530	984,094,000
Receivables, net of allowances for uncollectibles			
Loans	-	-	28,902,000
Mortgages	-	-	-
Other	5,912,869	-	65,320,000
Capital assets - nondepreciated	1,361,458,566	1,991,330,031	358,210,000
Capital assets - depreciated, net	6,184,234,120	3,763,234,558	1,656,567,000
Derivative instrument asset	-	3,080,107	21,000
Other	17,606	92,125,914	309,530,000
Total Noncurrent Assets	<u>9,107,367,405</u>	<u>8,350,557,140</u>	<u>3,402,644,000</u>
Deferred Outflows	<u>-</u>	<u>154,654,119</u>	<u>10,988,000</u>
Total Assets and Deferred Outflows	<u>9,816,930,318</u>	<u>9,570,043,260</u>	<u>4,091,259,000</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	326,426,195	231,300,577	159,928,000
Due to external parties	26,794,675	179,351,583	-
Interest payable	-	149,184,948	10,872,000
Deferred revenue	20,643,631	3,644,113	59,586,000
Current portion of long-term obligations	266,283,837	118,904,910	39,175,000
Other	192,128,508	1,318,047	61,471,000
Total Current Liabilities	<u>832,276,846</u>	<u>683,704,178</u>	<u>331,032,000</u>
Noncurrent liabilities			
Net pension obligation	-	-	-
Net OPEB obligation	247,300,981	161,133,290	-
Pollution remediation	20,733,300	30,080,000	-
Derivative instrument liability	-	154,654,119	10,988,000
Other	3,338,983,792	8,424,737,317	1,112,449,000
Total Noncurrent Liabilities	<u>3,607,018,073</u>	<u>8,770,604,726</u>	<u>1,123,437,000</u>
Deferred Inflows	<u>-</u>	<u>3,080,107</u>	<u>21,000</u>
Total Liabilities and Deferred Inflows	<u>4,439,294,919</u>	<u>9,457,389,011</u>	<u>1,454,490,000</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,665,211,444	(110,436,851)	1,142,709,000
Restricted for:			
Capital projects	3,955,292	-	47,904,000
Debt service	-	121,553,806	5,512,000
Other purposes	-	-	773,645,000
Unrestricted	<u>(291,531,337)</u>	<u>101,537,294</u>	<u>666,999,000</u>
Total Net Assets	<u>\$ 5,377,635,399</u>	<u>\$ 112,654,249</u>	<u>\$ 2,636,769,000</u>

The accompanying notes are an integral part of the financial statements.

University of Medicine and Dentistry of New Jersey	Non-Major Component Units	Total Component Units
\$ 76,369,000	\$ 1,593,647,224	\$ 2,275,525,715
243,955,000	1,881,754,399	3,268,707,939
16,783,000	57,480,949	290,671,953
4,402,000	247,483,591	260,130,591
-	72,382,000	72,382,000
210,871,000	192,708,317	600,687,733
40,719,000	34,234,426	174,076,344
12,545,000	1,774,925	152,591,995
6,581,000	24,836,404	75,774,879
<u>612,225,000</u>	<u>4,106,302,235</u>	<u>7,170,549,149</u>
202,074,000	4,672,800,513	9,915,499,287
34,027,000	3,636,265,627	3,699,194,627
-	2,632,937,133	2,632,937,133
-	48,446,712	119,679,581
28,740,000	1,181,766,104	4,921,504,701
869,070,000	4,065,609,477	16,538,715,155
-	42,892,660	45,993,767
14,638,000	134,472,043	550,783,563
<u>1,148,549,000</u>	<u>16,415,190,269</u>	<u>38,424,307,814</u>
-	24,924,077	190,566,196
<u>1,760,774,000</u>	<u>20,546,416,581</u>	<u>45,785,423,159</u>
295,684,000	288,732,549	1,302,071,321
-	2,768,823	208,915,081
3,624,000	126,206,295	289,887,243
65,923,000	176,554,342	326,351,086
13,979,000	345,508,692	783,851,439
302,000	314,376,675	569,596,230
<u>379,512,000</u>	<u>1,254,147,376</u>	<u>3,480,672,400</u>
-	26,857,308	26,857,308
-	119,080,099	527,514,370
-	2,350,000	53,163,300
-	64,807,839	230,449,958
<u>692,527,000</u>	<u>10,565,465,902</u>	<u>24,134,163,011</u>
692,527,000	10,778,561,148	24,972,147,947
-	4,078,898	7,180,005
<u>1,072,039,000</u>	<u>12,036,787,422</u>	<u>28,460,000,352</u>
304,875,000	2,053,012,024	9,055,370,617
10,456,000	67,409,182	129,724,474
2,990,000	923,165,483	1,053,221,289
365,063,000	3,601,076,480	4,739,784,480
5,351,000	1,864,965,990	2,347,321,947
<u>\$ 688,735,000</u>	<u>\$ 8,509,629,159</u>	<u>\$ 17,325,422,807</u>

**STATE OF NEW JERSEY
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>New Jersey Transit Corporation</u>	<u>New Jersey Turnpike Authority</u>	<u>Rutgers, The State University of New Jersey</u>
Expenses	\$ 2,597,814,235	\$ 964,099,197	\$ 1,800,082,000
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	942,778,689	1,027,181,519	853,893,000
Operating grants and contributions	815,424,820	1,505,071	875,093,000
Capital grants and contributions	<u>277,945,562</u>	<u>-</u>	<u>8,077,000</u>
Net (Expense) Revenue	<u>(561,665,164)</u>	<u>64,587,393</u>	<u>(63,019,000)</u>
General Revenue			
Payments from State	<u>276,200,000</u>	<u>963,631</u>	<u>273,188,000</u>
Total General Revenue	<u>276,200,000</u>	<u>963,631</u>	<u>273,188,000</u>
Change in Net Assets	(285,465,164)	65,551,024	210,169,000
Net Assets - Beginning of Year (Restated)	<u>5,663,100,563</u>	<u>47,103,225</u>	<u>2,426,600,000</u>
Net Assets - End of Year	<u>\$ 5,377,635,399</u>	<u>\$ 112,654,249</u>	<u>\$ 2,636,769,000</u>

The accompanying notes are an integral part of the financial statements.

<u>University of Medicine and Dentistry of New Jersey</u>	<u>Non-Major Component Units</u>	<u>Total Component Units</u>
\$ 1,916,968,000	\$ 4,210,796,782	\$ 11,489,760,214
1,183,805,000	1,747,132,918	5,754,791,126
544,590,000	1,780,689,195	4,017,302,086
-	770,077,847	1,056,100,409
(188,573,000)	87,103,178	(661,566,593)
214,570,000	362,127,064	1,127,048,695
214,570,000	362,127,064	1,127,048,695
25,997,000	449,230,242	465,482,102
662,738,000	8,060,398,917	16,859,940,705
\$ 688,735,000	\$ 8,509,629,159	\$ 17,325,422,807

**STATE OF NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
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**STATE OF NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements have been prepared primarily from accounts and records maintained by the Director of the Office of Management and Budget. The financial data for the various public benefit corporations, authorities, commissions, colleges, and universities has been derived from reports prepared by those organizations based on their independent accounting systems.

B. Financial Reporting Entity

For financial reporting purposes the State of New Jersey includes all fund types, departments, and agencies of the State, as well as boards, commissions, authorities, colleges, and universities, for which the State is financially accountable. The following circumstances set forth the State's financial accountability for a legally separate organization:

1. The State is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the State.
2. The State may be financially accountable if an organization is fiscally dependent on the State regardless of whether the organization has (a) a separately elected governing board or (b) a jointly appointed board.

Entities for which the State is financially accountable such as boards, commissions, authorities, colleges and universities are considered component units. These component units are included in the State's reporting entity because of the significance of their operational or financial relationships with the State. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the State). Blending requires the component unit's balances and transactions to be reported in a manner similar to the balances and transactions of the State.

The following organizations comprise the State's component units. The Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the Tobacco Settlement Financing Corporation, and the New Jersey Transportation Trust Fund Authority are blended component units since they provide services entirely or almost entirely to the State and thus are fiscally dependent upon the State. Additional pertinent information related to them is disclosed in the notes of the primary government. All other component units have been discretely presented. Descriptions of the discretely presented component units and addresses from which complete financial statements of the respective component units can be obtained is detailed in Note 18.

COLLEGES AND UNIVERSITIES

The College of New Jersey
Kean University
Montclair State University
New Jersey City University
New Jersey Institute of Technology
Ramapo College of New Jersey
The Richard Stockton College of New Jersey
Rowan University
Rutgers, The State University of New Jersey
Thomas Edison State College
University of Medicine and Dentistry of New Jersey
The William Paterson University of New Jersey

AUTHORITIES

Atlantic City Convention and Visitors Authority
Casino Reinvestment Development Authority
Garden State Preservation Trust
Higher Education Student Assistance Authority
New Jersey Building Authority
New Jersey Economic Development Authority
New Jersey Educational Facilities Authority
New Jersey Environmental Infrastructure Trust
New Jersey Health Care Facilities Financing Authority
New Jersey Housing and Mortgage Finance Agency
New Jersey Meadowlands Commission
New Jersey Redevelopment Authority
New Jersey Schools Development Authority
New Jersey Sports and Exposition Authority
New Jersey Transit Corporation
New Jersey Transportation Trust Fund Authority
New Jersey Turnpike Authority
New Jersey Water Supply Authority
South Jersey Port Corporation
South Jersey Transportation Authority
Tobacco Settlement Financing Corporation

C. Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these government-wide statements. Governmental activities, which normally are supported by taxes and intragovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of net assets measures not just current assets and liabilities, but also long-term assets and liabilities such as capital assets (including infrastructure assets) and long-term obligations. The difference between the State's assets and its liabilities is its net assets. Net assets are displayed in three components - invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The amount of net assets that are restricted by enabling legislation is disclosed in Note 14. When both restricted and unrestricted resources are available for use, generally it is the State's policy to use restricted resources first, then unrestricted resources as they are needed.

The statement of activities is presented in a format that reports the net (expense) revenue of the State's individual functions. The net (expense) revenue format reports the relative financial burden of each of the State's functions on its taxpayers. This format identifies the extent to which each function of the government draws from the general revenues of the State or is self-financed through licenses, fees, permits, and other revenues.

Program revenues originate from the program or from parties other than the government's taxpayers or citizens as a whole and reduce the expenses of the function to be financed by general revenues. Categories of program revenues that are separately reported in the statement are charges for services, program specific operating grants and contributions, and program specific capital grants and contributions. Charges for services are revenues from exchange or exchange-like transactions with external parties that purchase, use, or directly benefit from the program's goods, services, or privileges. These revenues include fees charged for specific services, licenses and permits, and operating special assessments, as well as payments from exchange transactions with other governments. Program specific operating and capital grants and contributions are revenues from mandatory and voluntary nonexchange transactions with external parties that are restricted for use in a particular program. All

other revenues are general revenues, including all taxes, even if levied for a specific purpose. A special item is a significant transaction or other event within the control of management that is either (1) unusual in nature, or (2) infrequent in occurrence. An extraordinary item is a transaction or other event that is both (1) unusual in nature and (2) infrequent in occurrence.

In the statement of activities, all expenses are reported by function except those that are special or extraordinary items. Each function reports direct expenses – those specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Some functions, such as government direction, management and control, include expenses that are indirect expenses of other functions. The State does not allocate indirect expenses to the other functions.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds, and component units. However, the fiduciary funds are not included in the government-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

D. Measurement Focus and Basis of Accounting

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The government-wide financial statements report all financial and capital assets (including infrastructure assets), short and long-term liabilities, revenues, expenses, gains, and losses using the economic resources measurement focus and the accrual basis of accounting. Activity and balances resulting from exchange and exchange-like transactions are recognized when the exchange takes place; those resulting from nonexchange transactions are recognized based on the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Governmental Fund Financial Statements - The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

In accordance with the modified accrual basis, revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the fiscal period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, these revenues which are considered to be susceptible to accrual include amounts received during the three month period subsequent to June 30 that were earned as of June 30. On an exception basis, the State will occasionally accrue amounts received after this three month period but within twelve months subsequent to June 30. Those revenues which are considered to be susceptible to accrual include sales tax, individual income taxes, corporate income taxes, and federal grants. Licenses, fees, permits and other sources are recognized when received since they normally are measurable only at that time. Revenue refunds payable are recorded as other liabilities. Unapplied overpayments of Corporation Business Tax and Gross Income Tax are recorded when a final determination is made as to the ultimate disposition of the overpayments.

Expenditures are recognized when the related fund liabilities are incurred. Expenditures for compensated absences, claims, and judgments are recorded to the extent they would normally be liquidated with available financial resources. Disbursements for prepaid expenses, inventory items, and fixed assets are recorded when expenditures are incurred. Expenditures for principal and interest on general obligation long-term debt are recognized when due.

Proprietary Funds, Fiduciary Funds, and Component Units Financial Statements - The financial statements of the proprietary funds, fiduciary funds, and component units are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements previously described.

Each proprietary fund has the option under Governmental Accounting Standards Board (GASB), Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 unless FASB conflicts with GASB. The State has elected to not apply FASB pronouncements issued after the applicable date.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The State's enterprise funds are the Unemployment Compensation Fund and the State Lottery Fund.

The Unemployment Compensation Fund's principal ongoing operations consist of assessments received from employers and employees and the subsequent disbursement of monies to persons entitled to receive unemployment benefits. Collections and disbursements to eligible recipients are classified as operating revenues and expenses. The State Lottery Fund's principal ongoing operations, which are classified as operating revenues and expenses, consist of receipts from lottery ticket sales and subsequent disbursements of monies to lottery winners.

E. Fund Accounting

The financial activities of the State are recorded in individual funds, each of which is deemed to be a separate accounting entity. The State uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which represent the fund's assets, liabilities, residual equities or balances, revenues, and expenditures or expenses. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being combined into a single column.

1. Major Funds

The State reports the General Fund and the Property Tax Relief Fund as major governmental funds. The State also reports the State Lottery Fund and the Unemployment Compensation Fund as major enterprise funds. Descriptions are as follows:

- a. General Fund - This fund accounts for all State revenues not otherwise restricted by statute. The largest part of the total financial operations of the State is accounted for in the General Fund. Most revenues received from taxes, federal sources, and certain miscellaneous revenue items are recorded in this Fund. The Annual Appropriations Act enacted by the State Legislature provides the basic framework for the operations of the General Fund.
- b. Property Tax Relief Fund - This fund accounts for revenues from the New Jersey Gross Income Tax and a portion of the New Jersey Sales and Use Tax. Revenues realized are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. P.L. 2006, c.44 increased the Sales and Use Tax rate to seven percent from six percent. Of the additional one percent, one half of a percent was dedicated to the Property Tax Relief Fund. Annual appropriations are made from the fund, pursuant to formulas established by the State Legislature, to counties, municipalities, and school districts.
- c. State Lottery Fund - Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets and for the administrative expenses of the Division of State Lottery. Remaining balances are paid to the General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts are accounted for in this fund.
- d. Unemployment Compensation Fund - This fund accounts for monies deposited from contributions of employers and employees for unemployment compensation, amounts credited or advances made by the federal government, and amounts received herein from any other source. After consideration is given to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against

the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United States by the Division of Employment Security on an as-needed basis, whereby amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits. Any shortfall in the Unemployment Compensation Fund needed to pay benefits is covered by federal statutes, which authorize advances from the federal government for unemployment benefits. Such advances are repayable by increased rates on federally taxable wages reported by New Jersey employers, or the advances may be repaid out of the fund assets at any time by the Governor.

2. Governmental Fund Types

- a. Special Revenue Funds – These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term “proceeds of specific revenue sources” establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.
- b. Capital Projects Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

3. Fiduciary Fund Types

- a. Pension and Other Employee Benefits Trust Funds - These funds report resources that are required to be held in trust for members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, and other employee benefit plans, such as the deferred compensation plan.
- b. Investment Trust Fund - This fund reports an investment pool that consolidates monies from municipalities, counties, school districts, and any other public body, corporate or politic.
- c. Private Purpose Trust Funds - These funds report all other trust arrangements for which principal and income benefit individuals, private organizations, or other governments.
- d. Agency Funds - These funds report resources held by the State in a purely custodial capacity. These funds typically involve only the receipt, temporary investment, and remittance of the resources to external parties.

4. Proprietary Fund Types

Enterprise Funds - These funds may be used to report any activity for which a fee is charged to external users for goods and services. Activities are required to be reported as enterprise funds if laws or regulations require that the activity’s costs of providing services be recovered with fees and charges, rather than with taxes or similar revenues.

F. Appropriations and Outstanding Debt

The State Constitution provides that the Legislature may not create a debt (where total outstanding debt would exceed one percent of total appropriations for the year) unless such law has been submitted to the people at a general election and approved by a majority of the legally qualified voters. After approval by the electorate, and prior to any bond sale, the Legislature may make appropriations up to the legally authorized amount of such bonds, which enables the State to enter into contracts with vendors.

G. Assets

1. Cash and Cash Equivalents

Deposits encompass the State's cash on deposit with financial institutions and several cash equivalents, including certificates of deposit. All deposits including cash equivalents that are subject to federal or state depository insurance generally are classified as deposits. Only investments with an original maturity of three months or less are considered to be cash equivalents. See Note 3 for details.

2. Investments

Statutes of the State of New Jersey and regulations of the State Investment Council authorize the Division of Investment to invest in domestic and international equities and exchange traded funds; covered call and put options; equity futures contracts; obligations of the U.S. Treasury, government agencies, corporations, international corporations, governments and agencies; bank loans; interest rate swap transactions; credit default swaps; fixed income exchange traded funds; U.S. Treasury futures contracts; New Jersey State and Municipal general obligations; public authority revenue obligations; collateralized notes and mortgages; commercial paper; certificates of deposit; repurchase agreements; bankers acceptances; guaranteed income contracts; funding agreements; money market funds; private equity; real estate; other real assets; and absolute return strategy funds.

In addition to the amounts invested directly, most of the funds included herein participate in the State of New Jersey Cash Management Fund wherein amounts also contributed by other units of government are combined into a large scale investment program. The Pension Trust Funds also participate in a Common Pension Trust Fund pool whereby amounts contributed by the various Pension Trust Funds are combined for the purpose of investment. Participation in the Cash Management Fund investment pool and the Common Pension Trust Fund investment pool by State funds is reflected as investments in the Balance Sheets of the respective funds. Amounts contributed to the Cash Management Fund investment pool by local governments and other entities which are not part of the State's reporting entity, are reflected as investments in the Balance Sheet of the Investment Trust Fund.

Amounts contributed to the Cash Management Fund investment pool are recorded at cost, which approximates fair value. Any differences between cost and fair value for Cash Management Fund pool investments are immaterial. Other investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. See Note 4 for additional details.

3. Securities Lending Collateral

The Pension Trust Funds participate in securities lending programs with their custodian banks, whereby securities are loaned to brokers and, in return, the Pension Trust Funds have rights to the collateral received. All of the securities held in the Common Pension Trust Fund investment pool are eligible for the securities lending program. Collateral received may consist of cash, letters of credit, or government securities having a market value equal to or exceeding 102 percent (U.S. dollar denominated) or 105 percent (non-U.S. dollar denominated) of the value of the loaned securities at the time the loan is made. The contracts with the Common Pension Trust Fund investment pool custodian banks require them to indemnify the investment pool if the brokers fail to return the securities or fail to pay the investment pool for income distributions by the securities' issuers while the securities are on loan. The securities loans can be terminated by notification by either the broker or the investment pool. The term to maturity of the securities loans is generally matched with the term to maturity of the investment of cash collateral. As of June 30, 2011, the Pension Trust Funds have no aggregate credit risk exposure to brokers because the collateral amount held by the Pension Trust Funds exceeded the market value of the securities on loan. See Note 5 for additional details.

4. Receivables

Receivables in the State's governmental, fiduciary, and proprietary funds, Component Units - Authorities, and Component Units - College and University Funds are stated net of allowances for uncollectable amounts and primarily consist of federal revenues, taxes, assessments, loans, interest and dividends, contributions due from employers and members to the respective pension funds, mortgages, and other receivables. See Note 6 for details.

5. Capital Assets

Capital assets are tangible and intangible assets that are used in operations and that have initial useful lives that extend beyond a single reporting period. Capital assets are reported in the statement of net assets at cost or historical cost based on appraisals or other acceptable methods when historical cost information is not available. Donated fixed assets are recorded at estimated fair value at the time of donation. The State's capital assets consist of:

- a. All land, including parks, forests, easements, development rights, highways, and right-of-ways.
- b. Infrastructure assets such as roads, bridges, and dams.
- c. All general government buildings, including hospital, care, and correctional facilities.
- d. Land improvements, machinery and equipment, software, and motor vehicles used in general operations with a unit cost of at least \$25,000, \$20,000, \$100,000, and \$30,000 respectively. For the purpose of reporting, machinery and equipment, and software are consolidated into one category.
- e. Capital projects in the process of construction.

To measure depreciation expense, the State used the straight-line method, whereby the historical cost (or other capitalized amount) of depreciable assets, less their estimated salvage values, is allocated in equal annual amounts over the estimated useful lives of the assets. To estimate the useful lives of its capital assets, the State uses guidelines from industry organizations. There is no depreciation recorded for land, easements, construction in progress, and rights-of-way.

Capital leases which are classified as capital assets are recorded in amounts equal to the lesser of the fair value of the asset or the present value of the future net minimum lease payments at the inception of the lease.

The State does not capitalize and depreciate works of art, historical treasures, and similar assets because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. Capital assets utilized in the government funds are recorded as expenditures in the governmental fund financial statements. See Note 7 for additional details.

6. Interfund/Intrafund Transactions

Interfund Transactions - During the course of normal operations, the State has numerous routine transactions between funds, including expenditures, and transfers of resources to provide administrative services, program services, debt service, and compliance with legal mandates, such as legislation requiring the transfer of investment earnings from a capital project fund to the General Fund. In the fund financial statements, these transactions generally are recorded as transfers to/transfers from other funds and due to/due from other funds. Operating transfers represent legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended and do not represent reimbursement of expenses.

Intrafund Transactions - Intrafund transactions, as a result of contracts among departments within the same fund, are considered expenditures by the contractor and revenues by the contractee in the fund financial statements.

As a general rule, intrafund revenues and expenditures, interfund transfers, and interfund receivables and payables have been eliminated in the government-wide financial statements. An exception is the net residual amounts due between governmental and business-type activities, which is recorded as internal balances. Receivables from and payables to fiduciary funds are recorded in the statement of net assets as receivable from and payable to external parties.

H. Liabilities

1. Deferred Revenue

Deferred revenues at the fund level arise when potential revenue does not meet the available criterion for recognition in the current period. Deferred revenues also arise when resources are received by the State before it has a legal claim. In subsequent periods, when the revenue recognition criterion is met, or when the State has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized. Deferred revenues at the government-wide level arise only when the State receives resources before it has a legal claim to these resources.

Deferred revenue in the General Fund, at both levels, consists principally of amounts due from the Port Authority of New York and New Jersey.

2. Long-term Obligations

The State's long-term debt is divided into bonded and non-bonded categories. Bonded categories include general obligation bonds, revenue bonds, certain capital leases, installment obligations, certificates of participation, unamortized premium, Tobacco Settlement Financing Corporation Bonds (TSFC), unamortized deferral on refunding, and unamortized interest on capital appreciation bonds. Non-bonded categories include accumulated sick and vacation payable, certain capital leases, loans payable, net pension obligation, pollution remediation obligation, other postemployment benefits, other, advance from federal government, and deposit fund contracts. The liability for long-term items described above is reflected in the government-wide financial statements and the proprietary fund financial statements as noncurrent liabilities, due in more than one year and as current liabilities-current portion of long-term obligations, if due within a year.

Bond and note premiums and discounts are amortized to interest expense based on the straight-line method. Capital appreciation bonds are reported at its net or accreted value rather than at face value. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges in other assets and are amortized over the term of the related debt.

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

I. Net Assets

- 1. Invested in Capital Assets, Net of Related Debt** - This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 2. Restricted** - Net assets are reported as restricted when constraints placed on net asset use are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of the other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- 3. Unrestricted** - Unrestricted net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."
- 4. Held in Trust for Pension Benefits and Other Purposes** - This is used to accumulate all active member, State, and other employer contributions and investment income from which all benefit payments are made; also used to accumulate resources received as a result of trust arrangements or to accumulate resources held for investment.

J. Fund Balances

- 1. Nonspendable** - Fund balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (i.e., the principal of a permanent fund).
- 2. Restricted** - Fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers or imposed by law through constitutional provisions, or through enabling legislation.
- 3. Committed** - Fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- 4. Assigned** - Fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- 5. Unassigned** - Fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Based on the definitions of the restricted, committed, and assigned fund balance classifications, positive unassigned amounts can exist only in the General Fund.

K. Fiscal Year End Differences

The following component units have fiscal years that ended on December 31, 2010:

Component Units - Authorities

Atlantic City Convention and Visitors Authority
Casino Reinvestment Development Authority
New Jersey Economic Development Authority
New Jersey Educational Facilities Authority
New Jersey Health Care Facilities Financing Authority
New Jersey Housing and Mortgage Finance Agency
New Jersey Meadowlands Commission
New Jersey Redevelopment Authority
New Jersey Sports and Exposition Authority
New Jersey Turnpike Authority
South Jersey Port Corporation
South Jersey Transportation Authority

Special Revenue Funds

New Jersey Building Authority (blended component unit)
New Jersey Schools Development Authority (blended component unit)

NOTE 2 - OTHER ACCOUNTING DISCLOSURES

A. Change in Accounting Policy/Reclassifications

The State has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement established fund balance classifications and clarified existing governmental fund type definitions. As a result, the following funds previously classified as special revenue funds are now reported as part of the General Fund.

<u>Fund Name</u>	<u>Fund Classification June 30, 2010</u>	<u>Fund Classification June 30, 2011</u>
Beaches and Harbor Fund	Special Revenue Fund	General Fund
2007 Blue Acres Fund	Special Revenue Fund	General Fund
Clean Waters Fund	Special Revenue Fund	General Fund
Cultural Centers and Historic Preservation Fund	Special Revenue Fund	General Fund
2003 Dam, Lake and Stream Project Revolving Loan Fund	Special Revenue Fund	General Fund
2003 Dam, Lake, Stream and Flood Control Project Fund	Special Revenue Fund	General Fund
1992 Dam Restoration Clean Waters Trust Fund	Special Revenue Fund	General Fund
1989 Development Potential Bank Transfer Fund	Special Revenue Fund	General Fund
Development Disabilities Waiting List Reduction Fund	Special Revenue Fund	General Fund
Dredging and Containment Facility Fund	Special Revenue Fund	General Fund
1996 Economic Development Site Fund	Special Revenue Fund	General Fund
Emergency Flood Control Fund	Special Revenue Fund	General Fund
Emergency Services Fund	Special Revenue Fund	General Fund
1996 Environmental Cleanup Fund	Special Revenue Fund	General Fund
1989 Farmland Preservation Fund	Special Revenue Fund	General Fund
1992 Farmland Preservation Fund	Special Revenue Fund	General Fund
1995 Farmland Preservation Fund	Special Revenue Fund	General Fund
2007 Farmland Preservation Fund	Special Revenue Fund	General Fund
2007 Green Acres Fund	Special Revenue Fund	General Fund
Green Trust Fund	Special Revenue Fund	General Fund
Hazardous Discharge Fund of 1981	Special Revenue Fund	General Fund
Hazardous Discharge Fund of 1986	Special Revenue Fund	General Fund
Higher Education Facility Renovation and Rehabilitation Fund	Special Revenue Fund	General Fund
1992 Historic Preservation Fund	Special Revenue Fund	General Fund
1995 Historic Preservation Fund	Special Revenue Fund	General Fund
2007 Historic Preservation Fund	Special Revenue Fund	General Fund
Historic Preservation Revolving Loan Fund	Special Revenue Fund	General Fund
Housing Assistance Fund	Special Revenue Fund	General Fund
Jobs, Education and Competitiveness Fund	Special Revenue Fund	General Fund
1996 Lake Restoration Fund	Special Revenue Fund	General Fund
Mortgage Assistance Fund	Special Revenue Fund	General Fund
Natural Resources Fund	Special Revenue Fund	General Fund
1995 New Jersey Coastal Blue Acres Trust Fund	Special Revenue Fund	General Fund
New Jersey Cultural Trust Fund	Special Revenue Fund	General Fund
1989 New Jersey Green Acres Fund	Special Revenue Fund	General Fund
1992 New Jersey Green Acres Fund	Special Revenue Fund	General Fund
1995 New Jersey Green Acres Fund	Special Revenue Fund	General Fund
1989 New Jersey Green Trust Fund	Special Revenue Fund	General Fund
1992 New Jersey Green Trust Fund	Special Revenue Fund	General Fund
1995 New Jersey Green Trust Fund	Special Revenue Fund	General Fund
1995 New Jersey Inland Blue Acres Fund	Special Revenue Fund	General Fund
New Jersey Local Development Financing Fund	Special Revenue Fund	General Fund
Pinelands Infrastructure Trust Fund	Special Revenue Fund	General Fund
Remediation Guarantee Fund	Special Revenue Fund	General Fund

Resource Recovery and Solid Waste Disposal Facility Fund	Special Revenue Fund	General Fund
Shore Protection Fund	Special Revenue Fund	General Fund
State Land and Acquisition and Development Fund	Special Revenue Fund	General Fund
Stormwater Management and Combined Sewer Overflow Abatement Fund	Special Revenue Fund	General Fund
Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund	Special Revenue Fund	General Fund
1992 Wastewater Treatment Fund	Special Revenue Fund	General Fund
Water Conservation Fund	Special Revenue Fund	General Fund
2003 Water Resources and Wastewater Treatment Fund	Special Revenue Fund	General Fund
Water Supply Fund	Special Revenue Fund	General Fund

B. Deficit Net Asset Balance

In order to pay unemployment claims in excess of available resources, it was necessary for the Unemployment Compensation Fund to borrow from the federal government, resulting in a deficit net asset balance of \$794.9 million.

C. Joint Ventures

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, NY 10003-1604
www.panynj.gov

Joint ventures are independently constituted entities generally created by two or more governments for a specific purpose such as contracting and maintaining an interstate bridge. Pursuant to current financial reporting standards, the State does not record its equity in joint ventures. The only significant joint venture in which the State of New Jersey participates is the Port Authority of New York and New Jersey. Individually published financial statements may be obtained by writing the Port Authority of New York and New Jersey at the above mentioned address. Other joint ventures are immaterial.

The Port Authority is a municipal corporate instrumentality of the States of New York and New Jersey created by compact between the two states in 1921 with the consent of the Congress of the United States. It is authorized and directed to plan, develop, and operate terminals and other facilities of transportation and commerce, and to advance projects in the general fields of transportation, economic development, and world trade that contribute to promoting and protecting the commerce and economy of the Port District, defined in the compact, which comprises an area of about 1,500 square miles in both states, centering about New York Harbor. The Governor of each State appoints six of the twelve members of the governing Board of Commissioners, subject to confirmation by the respective State Senate. Each Governor has from time to time exercised the statutory power to veto the actions of the commissioners from their state.

The commissioners serve six-year overlapping terms as public officials without compensation. They establish Authority policy, appoint an Executive Director to implement it, and also appoint a General Counsel to act as legal advisor to the Board and to the Executive Director. The Authority undertakes only those projects authorized by the two states.

The compact envisions the Port Authority as being financially self-sustaining and, as such, it must obtain the funds necessary for the construction or acquisition of facilities upon the basis of its own credit, its reserve funds, and its future revenues. The agency has neither the power to pledge the credit of either state or any municipality nor to levy taxes or assessments.

Consolidated financial statements for the Port Authority including the Passenger Facility Charges Program for the fiscal year ended December 31, 2010 disclosed the following (expressed in millions):

Financial Position	
	<u>Combined Total</u>
Total Assets	\$ 29,555.5
Total Liabilities	<u>18,530.9</u>
Net Assets	<u><u>\$ 11,024.6</u></u>
Operating Results	
Operating Revenues	\$ 3,844.4
Operating Expenses	(2,598.6)
Depreciation and Amortization	(865.5)
Net Recoverables (Expenses) Related to the Events of September 11, 2001	<u>53.0</u>
Income from Operations	433.3
Non-operating Revenues (Expense), Net	<u>(86.5)</u>
Net Income	<u><u>\$ 346.8</u></u>
Changes in Net Assets	
Balance January 1, 2010	\$ 10,677.8
Net Income	<u>346.8</u>
Balance December 31, 2010	<u><u>\$ 11,024.6</u></u>

Except for Special Project Bonds, the Authority's debt is secured by its full faith and credit, its reserve funds, or a pledge of future revenues. Special Project Bonds are secured by a mortgage on the financed properties. At December 31, 2010, Port Authority debt consisted of the following (expressed in millions):

Bonds, Notes, and Other Obligations	
Consolidated Bonds and Notes	\$ 13,340.4
Special Project Bonds	1,803.1
Operating Asset Financing	610.7
Capital Asset Financing	<u>607.4</u>
	16,361.6
Less: Unamortized Discount and Premium	<u>(53.0)</u>
Total	<u><u>\$ 16,308.6</u></u>

D. Other

In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, the debt and assets of the New Jersey Building Authority have been reduced for presentation herein in the amount of \$651.5 million, the amount of the present value of future lease payments by the State to the New Jersey Building Authority as of December 31, 2010.

In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, an additional \$1.2 billion in federal grant revenues and economic planning, development, and security expenditures has been recorded.

NOTE 3 - CASH AND CASH EQUIVALENTS

All funds maintain their own individual bank account(s) except for the Casino Control, Casino Revenue, Gubernatorial Elections, Special Transportation, and Property Tax Relief Funds which are in the General Fund bank accounts. The balances of cash for these funds held in the General Fund, after receipt and disbursement transactions, are accounted for and reflected in the respective due from or due to accounts on the balance sheet presented in the fund financial statements.

New Jersey Revised Statutes (c.52:18-16.1) set the policy that the State Treasurer must follow when depositing State funds and for the collateralization of such funds. The relationship between the face amount of the collateral and the amount of a deposit is not statutory but is stipulated by the State Treasurer. All bank accounts in which the State Treasurer deposits funds must be collateralized. Securities pledged as collateral must consist of obligations of, or be guaranteed by, the United States or the State of New Jersey. Securities are pledged in the State Treasurer's name and held by a custodian bank under a custodian agreement.

Collateral requirements for demand accounts and time accounts for banks having less than \$15 million in State deposits per month require 100 percent coverage of the highest daily balance of the preceding month. For banks that have State deposits which total \$15 million or more per month, the amount of collateral required is 120 percent of the total average daily balance on deposit in the bank during each calendar quarter of the year. The State Department of the Treasury monitors the level of collateral required to be maintained by the banks.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires that the State disclose bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of June 30, 2011 the State's bank balances amounted to \$235.8 million. Of these balances, \$1.9 million was exposed to custodial credit risk as uninsured and uncollateralized.

NOTE 4 – INVESTMENTS

Statutes of the State of New Jersey and regulations of the State Investment Council authorize the Division of Investment to invest in domestic and international equities and exchange traded funds; covered call and put options; equity futures contracts; obligations of the U.S. Treasury, government agencies, corporations, international governments and agencies; bank loans; interest rate swap transactions; credit default swaps; fixed income exchange traded funds; U.S. Treasury futures contracts; state and municipal general obligations; public authority revenue obligations; collateralized notes and mortgages; commercial paper; certificates of deposit; repurchase agreements; bankers acceptances; guaranteed income contracts; funding agreements; money market funds; private equity funds; real estate funds; other real assets; and absolute return strategy funds. Investee institutions and organizations are prescribed by the statutes and regulations based on such criteria as minimum capital, dividend paying history, credit history, and other evaluation factors.

The purchase, sale, receipt of income, and other transactions affecting investments are governed by custodial agreements between the investing funds through the State Treasurer and custodian banks as agents for the funds. State laws and policies set forth the requirements of such agreements and other particulars as to the size of the custodial institution, amount of the portfolio to be covered by the agreements, and other pertinent matters.

Federal securities, including those held as collateral on repurchase agreements, are maintained at Federal Reserve Banks in Philadelphia and New York through the custodian banks, in trust for the State of New Jersey. A significant portion of corporate equity and debt securities are maintained by the Depository Trust Company (DTC) through the custodian banks in trust for the State of New Jersey.

Securities not maintained by the Federal Reserve Banks or DTC are in the name of a designated nominee representing the securities of a particular State fund which establishes the State fund's unconditional right to the securities. The custodian banks, as agents for the State funds, maintain internal accounting records identifying the securities maintained by the Federal Reserve Banks and the DTC as securities owned by or pledged to the State funds.

In addition to the amounts invested directly, most of the funds included herein participate in the State of New Jersey Cash Management Fund wherein amounts also contributed by other units of government are combined into a large scale investment program. The Pension Trust Funds also participate in a Common Pension Trust Fund pool whereby amounts contributed by the various Pension Trust Funds are combined for the purpose of investment. Participation in the Cash Management Fund investment pool and the Common Pension Trust Fund investment pool by State funds is reflected as investments in the Balance Sheets of the respective funds. Amounts contributed to the Cash Management Fund investment pool by local governments and other entities which are not part of the State's reporting entity, are primarily reflected as investments in the Statement of Fiduciary Net Assets, Investment Trust Fund.

Amounts contributed to the Cash Management Fund investment pool are recorded at cost, which approximates fair value. Any differences between cost and fair value for Cash Management Fund pool investments are immaterial. All other investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund and the Common Pension Funds. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

Casino Control, Casino Revenue, Gubernatorial Elections, Special Transportation, and Property Tax Relief Funds do not maintain separate investment accounts. Since cash transactions are handled by and through the General Fund as described in Note 3, any available cash balances for these funds reside in the General Fund and are combined with other balances for either participation in the State of New Jersey Cash Management Fund or direct investment as part of the General Fund large scale investment program.

Approximately \$445.7 million of investments represents deposit fund contracts for future installment payments of lottery prizes. Lottery prizes are funded by the purchase of deposit fund contracts which, when matured, will provide amounts sufficient for future payment of installment prizes. Purchases of deposit fund contracts are recorded as an expenditure in the State Lottery Fund in the year of purchase. Annuity contracts are carried at their current contract values which are based upon their original purchase price adjusted for credited interest and amounts already received. The estimated fair value of annuity contracts approximates the carrying value reflected in the balance sheet. In the event of default in making future payments by the insurance company from which the contracts were purchased, the State Lottery Commission would be liable for such future payments.

Investments for all funds are as follows (expressed in millions):

	Amount Reported As Investments
Domestic fixed income securities	\$ 33,957.3
Domestic equities	20,184.5
International equities	14,975.0
Private equities	5,381.6
Absolute return strategy funds	3,902.4
Real estate funds	2,731.2
International fixed income securities	2,066.7
Real assets	1,191.4
Bank loan funds	1,174.1
Police and Firemen's mortgages	1,140.4
Annuity contracts	445.7
Mutual funds	119.4
Put options	5.5
Total investments	87,275.2
Unallocated administrative expenses and transaction exchanges	5.2
Net amount recorded as investments	\$ 87,280.4

As Reported on the Government-wide Statement of Net Assets and Statement of Fiduciary Net Assets:

	Current Investments	Non-Current Investments	Total
Governmental activities	\$ 5,936.2	\$ -	\$ 5,936.2
Business-type activities	265.8	335.4	601.2
Fiduciary funds	80,743.0	-	80,743.0
Total	\$ 86,945.0	\$ 335.4	\$ 87,280.4

The State's investments are subject to various risks. Among these risks are credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Each one of these risks is discussed in more detail below.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's), Standard & Poor's Corporation (S&P), or Fitch Ratings (Fitch). Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. There are no restrictions in the amount that can be invested in United States Treasury and government agency securities. State regulations require minimum credit ratings for certain categories of fixed income obligations and limit the amount that can be invested in any one issuer or issue. As of June 30, 2011 the following limits were in effect.

Category	Minimum Rating (1)			Limitation of Issuers' Outstanding Debt	Limitation of Issue	Other Limitations
	Moody's	S&P	Fitch			
Corporate obligations	Baa3	BBB-	BBB-	10%	25%	Not more than 5% of fund assets can be invested in one corporation
International corporate obligations	Baa3	BBB-	BBB-	10%	25%	Limited to not more than 5% of fund assets in any one issuer; not more than 10% of fund assets can be invested in this category
International government and agency obligations	Baa3	BBB-	BBB-	25%	Greater of 25% or \$10 million	-
Collateralized notes and mortgages	Baa3	BBB-	BBB-	-	25%	Not more than 5% of fund assets can be invested in one issuer; not more than 10% of fund assets (or 20% of the Common Pension Fund B account within the Common Pension Fund pool) can be invested in this category
Commercial paper	P-1	A-1	F1	-	-	-
Certificates of deposit and bankers acceptances:						
Domestic	A3/P-1	A-/A-1	A-/F1	-	-	Certificates of deposit and bankers acceptances cannot exceed 10% of issuer's primary capital
International	Aa3/P-1	AA-/A-1	AA-/F1	-	-	
Credit default swap transactions	A1	A+	A+	-	-	Nominal value of net exposure to any one counterparty shall not exceed 10% of fund assets
Guaranteed income contracts	A3	A-	A-	-	-	-
Money market funds	-	-	-	-	-	Limited to 10% of the assets of the of the fund; limited to 5% of the shares or units outstanding
Interest rate swap transactions	A1	A+	A+	-	-	Notional value of net exposure to any one counterparty shall not exceed 10% of fund assets
Repurchase agreements	Aa3	AA-	AA-	-	-	-
State and municipal obligations	A3	A-	A-	10%	10%	Limit of 2% of fund assets can be invested in debt of any one entity maturing more than 12 months from purchase
Public Authority revenue obligations	A3	A-	A-	-	10%	Limit of 2% of fund assets in any one authority
Mortgage backed pass through securities	A3	A-	A-	-	-	Limit of 5% of fund assets in any one issue
Mortgage backed senior debt securities	-	-	-	-	25%	Limit of 5% of fund assets in any one issue
Non-convertible preferred stocks of U.S. corporations	Baa3	BBB-	BBB-	10%	25%	Limit of 5% of fund assets in any one corporation
Bank loans	Baa3	BBB-	BBB-	10%	-	Limit of 10% of fund assets

(1) Short term ratings (e.g. P-1, A-1, F-1) are used for commercial paper and certificates of deposit.

Up to five percent of the market value of the combined assets of the pension and annuity funds may be invested in corporate obligations, international corporate obligations, collateralized notes and mortgages, bank loans, non-convertible preferred stocks, and mortgage backed pass through securities that do not meet the minimum credit rating requirements set forth above.

For securities exposed to credit risk in the fixed income portfolio, the following tables disclose aggregate fair value, by major credit quality rating category at June 30, 2011. The first table is for bonds rated by Moody's. The second table uses Standard and Poor's and Fitch's ratings for bonds not rated by Moody's (expressed in millions):

	Moody's Rating					
	Aaa	Aa	A	Baa	Ba	P-1
United States Treasury bills	\$ 7,822.9	\$ -	\$ -	\$ -	\$ -	\$ -
United States Treasury notes	3,746.0	-	-	-	-	-
United States Treasury TIPS	2,728.9	-	-	-	-	-
United States Treasury bonds	2,218.9	1.7	3.1	-	-	-
United States Treasury strips	568.6	-	-	-	-	-
United States Government Agency	603.3	1.3	1.3	-	-	-
Mortgages/FHLMC/FNMA/GNMA	633.5	-	-	-	-	-
Domestic corporate obligations	870.3	1,316.4	3,940.9	3,768.4	292.6	0.4
International corporate obligations	-	109.1	456.4	284.9	9.2	-
Foreign government obligations	183.5	916.0	26.8	-	0.1	-
SBA pass through certificates	152.6	-	-	-	-	-
Asset backed obligations	-	16.8	25.2	43.7	1.5	-
Certificates of deposit	-	-	-	-	-	615.0
Commercial paper	-	-	-	-	-	2,228.2
Other	103.9	861.4	263.0	14.9	0.5	-
Total	<u>\$ 19,632.4</u>	<u>\$ 3,222.7</u>	<u>\$ 4,716.7</u>	<u>\$ 4,111.9</u>	<u>\$ 303.9</u>	<u>\$ 2,843.6</u>

	Standard & Poor's and Fitch's Rating					
	A	AA	AAA	B	BB	BBB
Domestic corporate obligations	\$ 97.7	\$ 69.2	\$ -	\$ 11.0	\$ 4.0	\$ 107.5
International corporate obligations	-	-	-	3.0	0.6	-
Other	50.1	65.3	34.7	-	-	-
Total	<u>\$ 147.8</u>	<u>\$ 134.5</u>	<u>\$ 34.7</u>	<u>\$ 14.0</u>	<u>\$ 4.6</u>	<u>\$ 107.5</u>

The tables do not include various domestic corporate obligations given a Moody's rating of B (\$262.9 million), Ca (\$3.2 million), Caa (\$119.4 million), and a Standard and Poor's rating of CCC (\$5.1 million) international corporate obligations given a Moody's rating of B (\$16.5 million), Ca (\$0.7 million), Caa (\$6.4 million), asset backed obligations given a Moody's rating of Caa (\$0.6 million), and other various investment types given a Moody's rating of B (\$0.1 million).

In addition, the Police and Firemen's mortgages of \$1,140.4 million, domestic corporate obligations of \$44.7 million, foreign government obligations of \$42.4 million, United State Treasury bonds of \$0.4 million, asset backed obligations of \$79.8 million, international corporate obligations of \$11.2 million, United States Government agency of \$0.5 million, and other various investment types of \$142.0 million, are unrated.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Commercial paper must mature with 270 days. Certificates of deposits and bankers acceptance are limited to a term of one year or less. Repurchase

agreements must mature with 30 days. The investment in guaranteed income contracts and funding agreements is limited to a term of ten years or less.

The following table summarizes the maturities (or, in the case of Remics, Police and Firemen's mortgages, and mortgage backed securities, the expected average life) of the fixed income portfolio at June 30, 2011 (expressed in millions):

	Total Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More than 10
United States Treasury bills	\$ 7,822.9	\$ 7,822.9	\$ -	\$ -	\$ -
United States Treasury notes	3,746.0	3,739.0	7.0	-	-
United States Treasury TIPS	2,728.9	-	-	2,297.2	431.7
United States Treasury bonds	2,224.1	1.3	144.2	111.3	1,967.3
United States Treasury strips	568.6	-	-	-	568.6
United States Government Agency	606.4	232.8	13.2	217.9	142.5
Mortgages/FHLMC/FNMA/GNMA	633.5	-	4.6	-	628.9
Domestic corporate obligations	10,913.7	115.0	1,075.4	3,914.8	5,808.5
International corporate obligations	898.0	-	131.1	299.2	467.7
Foreign government obligations	1,168.8	-	122.6	447.7	598.5
Police & Firemen's mortgages	1,140.4	-	0.3	4.7	1,135.4
SBA pass through certificates	152.6	-	-	152.6	-
Asset backed obligations	167.6	-	1.3	17.4	148.9
Certificates of deposit	615.0	615.0	-	-	-
Commercial paper	2,228.2	2,228.2	-	-	-
Other	1,399.3	5.5	22.4	11.2	1,360.2
Total	\$ 37,014.0	\$ 14,759.7	\$ 1,522.1	\$ 7,474.0	\$ 13,258.2

Due to unavailability, the table does not include terms for the category of other investment types totaling \$136.6 million.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. As mentioned previously, the State's Pension Trust Funds participate in the Common Pension Trust Fund pool. The Common Pension Fund D account within this investment pool reflects the State's investments in global markets. The fair value of international preferred and common stocks and issues convertible into common stocks, when combined with the fair value of international government and agency obligations, cannot exceed 30 percent of the fair value of the Common Pension Fund D account. The market value of emerging market securities cannot exceed more than 1.5 times the percentage derived by dividing the total market capitalization of the companies included in the Morgan Stanley Capital International (MSCI) Emerging Market Index by the total market value of the assets held by Common Pension Fund D account. Not more than ten percent of the market value of the emerging market securities can be invested in the common and preferred stock of any one corporation. The total amount of stock purchased in any one corporation cannot exceed five percent of its stock classes eligible to vote. State regulations permit entering into foreign exchange contracts for the purpose of hedging the international portfolio. The State held forward contract receivables at June 30, 2011 totaling \$1.28 billion and payables totaling approximately \$1.31 billion (with a \$24.9 million net exposure). At June 30, 2011, the credit ratings of the counterparties to the forward currency contracts had credit ratings of no less than A3 using Moody's rating scale. At June 30, 2011, the State had the following foreign currency exposure based on exchange rates in effect for such day (expressed in millions of U.S. dollars):

Currency	Total Fair Value	Equities	Alternative Investments
Australian dollar	\$ 545.1	\$ 545.1	\$ -
Brazilian real	237.0	237.0	-
Canadian dollar	1,438.1	1,438.1	-
Chilean peso	3.7	3.7	-
Czech koruna	17.0	17.0	-
Danish krone	154.0	154.0	-
Egyptian pound	28.3	28.3	-
Euro dollar	3,045.8	2,719.9	325.9
Hong Kong dollar	666.6	666.6	-
Hungarian forint	19.8	19.8	-
Indonesian rupiah	80.9	80.9	-
Israeli shekel	8.4	8.4	-
Japanese yen	2,033.8	2,033.8	-
Malaysian ringgit	53.0	53.0	-
Mexican peso	40.3	40.3	-
Norwegian krone	116.9	116.9	-
Pakistan rupee	8.0	8.0	-
Philippines peso	17.3	17.3	-
Polish zolty	25.0	25.0	-
Singapore dollar	260.9	260.9	-
South African rand	155.7	155.7	-
South Korean won	325.1	325.1	-
Swedish krona	589.9	589.9	-
Swiss franc	793.9	793.9	-
Taiwan new dollar	20.1	20.1	-
Thailand baht	49.2	49.2	-
Turkish lira	58.9	58.9	-
United Kingdom sterling	1,913.1	1,901.7	11.4
Total	\$ 12,705.8	\$ 12,368.5	\$ 337.3

The State's interests in alternative investments may contain elements of credit, currency, and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependence upon key individuals, emphasis on speculative investments (both derivatives and non-marketable investments), and nondisclosure of portfolio composition. Effective April 18, 2011, State regulations require that not more than 38 percent of the market value of the Pension Fund can be invested in alternative investments, with limits on the individual categories of real estate (nine percent), real assets (seven percent), private equity (12 percent), and absolute return strategy (15 percent). Prior to that, the overall limitation was 28 percent with a seven percent limit on each of the individual categories. The Common Pension Fund E account within the Common Pension Trust Fund pool reflects the State's alternative investments. Not more than five percent of the market value of Common Pension Fund E, plus outstanding commitments, may be committed to any one partnership or investment, without the prior written approval of the State Investment Council. The investments in Common Pension Fund E cannot comprise more than 20 percent of any one investment manager's total assets.

NOTE 5 - SECURITIES LENDING COLLATERAL

The securities lending collateral is subject to various risks. Among these risks are custodial credit risk, credit risk, concentration of credit risk, and interest rate risk. Prior to July 1, 2010, the agreements with the lending agents required minimum credit ratings for certain categories of fixed income obligations and limited the amount that can be invested in any one issuer or issue. These limits are consistent with State regulations and internal policies for funds managed by the Division of Investment, Department of the Treasury. As of June 30, 2011, securities lending was limited to Pension Funds. The Pension Funds did not lend securities from July through December 2010. As of December 2010, securities lending collateral is invested in repurchase agreements, the maturities of which cannot exceed 30 days. The collateral for repurchase agreements is limited to obligations of the U.S. Government or certain U.S. Government agencies, collateralized notes and mortgages, and corporate obligations meeting certain minimum rating criteria. Total exposure to any individual issuer is limited, consistent with internal policies for funds managed by the Division of Investment, Department of the Treasury.

For securities exposed to credit risk in the collateral portfolio, the following table disclosures aggregate fair value, by major credit quality rating category at June 30, 2011 (expressed in millions):

	Rating		
	Aaa/AAA	Not Rated	Total
Repurchase Agreements	\$ 847.9	\$ -	\$ 847.9
Cash	-	5.7	5.7
Totals	<u>\$ 847.9</u>	<u>\$ 5.7</u>	<u>\$ 853.6</u>

Custodial credit risk for investments is the risk that the Pension Funds will not recover the value of the investments, which are in the possession of an outside party, if the counterparty to the transaction does not fulfill its obligations. The repurchase agreement's underlying securities are held in the Pension Funds' name.

As of June 30, 2011, the Pension Funds had outstanding loaned investment securities with an aggregate fair value of \$831.6 million. In accordance with GASB accounting standards, the non-cash collateral is not reflected in the financial statements. There were no borrowers or lending agent default losses, and no recoveries or prior-period losses during the year.

NOTE 6 - RECEIVABLES

Fiduciary funds' receivables are not disclosed in the statement of net assets. However, these receivables are disclosed in the fund financial statements and consist primarily of amounts due from employers and employees and accrued earnings on investments. Receivables presented in the statement of net assets are described below.

A. Federal

Federal government grant awards are established against State appropriations. Most Federal government receivables are comprised of amounts expended against grant awards, the expenditure of which is the basis of reimbursement. Since all amounts due from the Federal government are considered to be collectible, no allowance has been established for doubtful collections. Also see Note 19 – Contingent Liabilities.

These Federal receivables are reported in conformance with generally accepted accounting principles as defined in Statement No. 2 - *Grant, Entitlement and Shared Revenue Accounting and Reporting by State and Local Governments* published by the National Council on Governmental Accounting. Inasmuch as encumbrances do not constitute expenditures, and since recognition of grants and entitlements as revenue is primarily based on expenditures, there is an additional \$2.5 billion of Federal government awards consisting of encumbrances which are considered unearned and unrecorded as of June 30, 2011.

Federal receivable balances in the Unemployment Compensation Fund (\$108.3 million) represent unemployment contributions transferred to the Federal Reserve Bank for deposit in the Federal Unemployment Trust Fund. All monies are invested by the Federal Government and interest earnings are credited to the Unemployment Compensation Fund.

B. Departmental

Departmental accounts receivable of \$3.3 billion include amounts which were substantially collected within the one month period subsequent to June 30 and include most major tax revenues. Amounts included in these receivables but not collected within the one month period subsequent to June 30, 2011 are deemed to be collectible, and are reflected net of allowances (\$509.1 million).

C. Loans

Loans receivable of \$1.7 billion are reduced by allowances of \$63.4 million and include \$1.5 billion due from local units of government and other recipients for environmental projects, \$35.9 million loaned for economic development within local units of government, and \$14.7 million loaned for housing and mortgage assistance.

D. Other

Other receivables totaling \$1.4 billion are reduced by allowances of \$464.5 million and include tax receivables due of \$369.7 million, \$188.8 million due from the Port Authority of New York and New Jersey, \$149.9 million from the tobacco companies, and \$47.0 million due from proceeds of Motor Vehicle Commission bonds which are held by the trustee.

NOTE 7 – CAPITAL ASSETS

A summary of capital assets and related accumulated depreciation by category as of June 30, 2011 is as follows (expressed in millions):

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments</u>	<u>Balance June 30, 2011</u>
Capital assets, not being depreciated:					
Land and easements	\$ 4,669.5	\$ 85.8	\$ -	\$ 9.8	\$ 4,765.1
Construction in progress*	3,615.0	1,547.6	17.6	(1,257.3)	3,887.7
Capital assets, being depreciated:					
Land improvements	214.2	-	-	5.0	219.2
Buildings and improvements	3,413.7	-	89.3	56.4	3,380.8
Machinery, equipment, and software	716.9	139.5	41.6	64.1	878.9
Infrastructure	18,557.9	-	-	1,140.3	19,698.2
Total at historical cost	<u>31,187.2</u>	<u>1,772.9</u>	<u>148.5</u>	<u>18.3</u>	<u>32,829.9</u>
Less accumulated depreciation:					
Land improvements	126.2	7.3	-	(0.2)	133.3
Buildings and improvements	1,733.3	121.6	82.4	17.2	1,789.7
Machinery, equipment, and software	397.0	104.5	35.0	(0.2)	466.3
Infrastructure	7,137.1	503.7	-	-	7,640.8
Total accumulated depreciation	<u>9,393.6</u>	<u>737.1</u>	<u>117.4</u>	<u>16.8</u>	<u>10,030.1</u>
Governmental activities capital assets, net	<u>\$ 21,793.6</u>	<u>\$ 1,035.8</u>	<u>\$ 31.1</u>	<u>\$ 1.5</u>	<u>\$ 22,799.8</u>

* Construction in progress includes infrastructure projects and software in development.

A. Items Not Capitalized and Depreciated

The State possesses certain capital assets that have not been capitalized and depreciated because the assets cannot be reasonably valued and/or the assets have inexhaustible useful lives. Examples of these assets include, but are not limited to statues, monuments, forts, lighthouses, and various capitol related furnishings. Collections, such as historical documents, artifacts, works of art, rare library books, and antique furnishings are not capitalized. These assets are exempted from capitalization as the State maintains the collections for reasons other than financial gain; the collections are protected, kept unencumbered, cared for and preserved; and the collections are subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

B. Depreciation and Useful Lives

Capital assets are depreciated using the straight line method. The State assigned useful lives that were most suitable for the particular assets. Estimated useful lives were in an allowable range as follows:

<u>Asset</u>	<u>Years</u>
Land improvements	10-50
Building and improvements	12-60
Machinery and equipment	4-30
Infrastructure	4-70

Depreciation was charged to functions of the primary government as follows (expressed in millions):

	<u>Amount</u>
Public safety and criminal justice	\$ 76.3
Physical and mental health	23.7
Educational, cultural, and intellectual development	20.1
Community development and environmental management	20.5
Economic planning, development, and security	24.7
Transportation programs	511.6
Government direction, management, and control	52.1
Special government services	8.1
	<u>\$ 737.1</u>

NOTE 8 - INTERFUND TRANSACTIONS

During the course of normal operations, the State has numerous routine transactions between funds, including interfund loans, expenditures, and transfers of resources to provide administrative services, program services, debt service, and compliance with legal mandates, such as legislation requiring the transfer of investment earnings from a capital project fund to the General Fund. In the fund financial statements, these transactions generally are recorded as transfers in/transfers (out) and due to/due from other funds. Operating transfers represent legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended and do not represent reimbursement of expenses.

A. Due From/Due To Other Funds

The balances of current interfund receivables and payables at June 30, 2011 are presented below (expressed in millions):

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Due from:							
General Fund	\$ -	\$ 214.9	\$ 163.0	\$ -	\$ 0.5	\$ 115.7	\$ 494.1
Property Tax Relief Fund	68.0	-	5.6	-	21.3	-	94.9
Non-Major Governmental Funds	846.6	0.8	260.8	-	26.7	-	1,134.9
State Lottery Fund	104.3	-	-	-	-	-	104.3
Unemployment Compensation Fund	-	0.7	0.4	-	-	-	1.1
Fiduciary Funds	5.5	3.5	-	-	-	0.9	9.9
Total Due from	<u>\$ 1,024.4</u>	<u>\$ 219.9</u>	<u>\$ 429.8</u>	<u>\$ -</u>	<u>\$ 48.5</u>	<u>\$ 116.6</u>	<u>\$ 1,839.2</u>
Due to:							
General Fund	\$ -	\$ 68.0	\$ 846.6	\$ 104.3	\$ -	\$ 5.5	\$ 1,024.4
Property Tax Relief Fund	214.9	-	0.8	-	0.7	3.5	219.9
Non-Major Governmental Funds	163.0	5.6	260.8	-	0.4	-	429.8
Unemployment Compensation Fund	0.5	21.3	26.7	-	-	-	48.5
Fiduciary Funds	115.7	-	-	-	-	0.9	116.6
Total Due to	<u>\$ 494.1</u>	<u>\$ 94.9</u>	<u>\$ 1,134.9</u>	<u>\$ 104.3</u>	<u>\$ 1.1</u>	<u>\$ 9.9</u>	<u>\$ 1,839.2</u>

B. Transfer In/(Out)

Interfund transfers for the fiscal year ended June 30, 2011 are presented below (expressed in millions):

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>	<u>Non-Major Governmental Funds</u>	<u>State Lottery Fund</u>	<u>Unemployment Compensation Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Transfers (out) to:							
General Fund	\$ -	\$ -	\$ (1,379.1)	\$ (952.3)	\$ -	\$ -	\$ (2,331.4)
Non-Major Governmental Funds	(1,123.1)*	-	(1,531.4)	-	-	-	(2,654.5)
Total Transfers (Out)	<u>\$ (1,123.1)</u>	<u>\$ -</u>	<u>\$ (2,910.5)</u>	<u>\$ (952.3)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,985.9)</u>
Transfers in from:							
General Fund	\$ -	\$ -	\$ 1,622.3 *	\$ -	\$ -	\$ -	\$ 1,622.3
Non-Major Governmental Funds	1,379.1	-	1,531.4	-	-	-	2,910.5
State Lottery Fund	952.3	-	-	-	-	-	952.3
Total Transfers In	<u>\$ 2,331.4</u>	<u>\$ -</u>	<u>\$ 3,153.7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,485.1</u>
Net Transfers	<u>\$ 1,208.3</u>	<u>\$ -</u>	<u>\$ 243.2</u>	<u>\$ (952.3)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 499.2</u>

* The New Jersey Schools Development Authority and the New Jersey Building Authority (blended component units included in the Non-Major Governmental Funds) have a fiscal year end of December 31, 2010. Due to the State having a June 30, 2011 fiscal year end, transactions between the New Jersey Schools Development Authority, the New Jersey Building Authority, and the General Fund have created an imbalance within the transfers.

NOTE 9 - SHORT-TERM DEBT

Tax and Revenue Anticipation Notes

The State issues short-term debt instruments in the form of tax and revenue anticipation notes in advance of income tax and corporation business tax collections, depositing the proceeds in the General Fund. These notes are used to provide effective cash management to fund the imbalances that occur between the collection of revenues and the disbursement of appropriations of the General Fund and Property Tax Relief Fund. The \$2.25 billion of borrowings was repaid in full prior to the end of the fiscal year. Short-term debt activity for the year ended June 30, 2011 was as follows (expressed in millions):

	<u>Outstanding July 1, 2010</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2011</u>
Tax and Revenue Anticipation Notes	\$ -	\$ 2,250.0	\$ (2,250.0)	\$ -

NOTE 10 – LONG-TERM OBLIGATIONS

The State's long-term debt is divided into bonded and non-bonded categories. Bonded categories include General Obligation Bonds, Revenue Bonds Payable, certain Capital Leases, Installment Obligations, Certificates of Participation, Tobacco Settlement Financing Corporation Bonds (TSFC), Unamortized Deferral on Refunding, Unamortized Interest on Capital Appreciation Bonds, and Unamortized Premium. Non-bonded categories include Accumulated Sick and Vacation Payable, certain Capital Leases, Loans Payable, Net OPEB Obligation, Net Pension Obligation, Pollution Remediation Obligation, Advance from Federal Government, and Deposit Fund Contracts.

A. Changes in Long-term Debt

The following schedule represents the changes in the State's long-term debt (expressed in millions):

	<u>Outstanding</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Outstanding</u> <u>June 30, 2011</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
<u>Bonded Debt</u>					
General Obligation Bonds	\$ 2,596.8	\$ 763.7	\$ 793.6	\$ 2,566.9	\$ 182.2
Revenue Bonds Payable	18,576.7	2,100.0	906.1	19,770.6	422.2
Capital Leases	251.4	-	18.9	232.5	19.9
Installment Obligations	18,968.7	1,990.1	2,244.2	18,714.6	483.7
Certificates of Participation	30.5	75.1	20.2	85.4	21.0
Tobacco Settlement Financing Corp. Bonds (TFSC)	4,493.0	-	24.0	4,469.0	17.8
Unamortized Premium	1,323.8	193.0	112.8	1,404.0	-
Unamortized Deferral on Refunding	(773.2)	(332.5)	(135.2)	(970.5)	-
Unamortized Interest on Capital Appreciation Bonds	(8,557.1)	-	(340.9)	(8,216.2)	-
<u>Non-Bonded Debt</u>					
Accumulated Sick and Vacation Payable	566.8	343.3	286.9	623.2	343.3
Capital Leases	351.8	6.6	47.2	311.2	41.4
Loans Payable	1,279.4	-	-	1,279.4	-
Net OPEB Obligation	10,028.8	4,917.1	1,444.9	13,501.0	-
Net Pension Obligation	8,402.9	2,454.8	-	10,857.7	-
Pollution Remediation Obligation	92.6	-	12.2	80.4	-
Other	301.0	344.7	305.4	340.3	340.3
Subtotal Governmental Activities	<u>57,933.9</u>	<u>12,855.9</u>	<u>5,740.3</u>	<u>65,049.5</u>	<u>1,871.8</u>
Business-type Activities					
Accumulated Sick and Vacation Payable	\$ 1.0	\$ 0.6	\$ 0.6	\$ 1.0	\$ 0.6
Advance from Federal Government	1,749.6	1,447.5	1,650.0	1,547.1	-
Deposit Fund Contracts	526.8	28.6	109.7	445.7	110.3
Subtotal Business-type Activities	<u>2,277.4</u>	<u>1,476.7</u>	<u>1,760.3</u>	<u>1,993.8</u>	<u>110.9</u>
Total Governmental and Business-type Activities	<u>\$ 60,211.3</u>	<u>\$ 14,332.6</u>	<u>\$ 7,500.6</u>	<u>\$ 67,043.3</u>	<u>\$ 1,982.7</u>

B. Debt Service Payments

The following schedule represents debt service payments for the next five fiscal years and thereafter (expressed in millions):

Fiscal Year	Debt Service					Certificates of Participation	TSFC*	Total
	General Obligation Bonds	Revenue Bonds	Capital Leases	Installment Obligations				
2012	\$ 182.2	\$ 422.2	\$ 61.4	\$ 483.7	\$ 21.0	\$ 17.9	\$ 1,188.4	
2013	333.8	460.6	50.4	1,233.5	16.8	19.8	2,114.9	
2014	232.7	469.3	41.5	769.0	11.5	21.8	1,545.8	
2015	298.3	497.9	36.4	744.9	9.5	23.8	1,610.8	
2016	350.9	524.3	35.5	1,066.1	8.7	49.0	2,034.5	
2017-2021	1,033.0	3,130.5	160.0	5,517.3	17.9	354.9	10,213.6	
2022-2026	136.0	3,974.4	100.3	4,592.8	-	458.6	9,262.1	
2027-2031	-	3,740.5	51.7	3,131.4	-	582.5	7,506.1	
2032-2036	-	3,086.8	5.5	1,013.9	-	740.7	4,846.9	
2037-2041	-	3,464.1	1.0	162.0	-	2,200.0	5,827.1	
Total Principal	2,566.9	19,770.6	543.7	18,714.6	85.4	4,469.0	46,150.2	
2012	133.8	612.5	45.7	702.8	1.5	155.6	1,651.9	
2013	115.3	587.6	40.8	688.7	1.1	154.8	1,588.3	
2014	96.4	561.7	36.4	656.1	0.8	153.8	1,505.2	
2015	84.2	535.6	33.0	631.9	0.6	152.7	1,438.0	
2016	68.7	2,085.5	29.6	604.1	0.4	151.6	2,939.9	
2017-2021	161.6	1,435.6	93.7	2,485.8	0.4	715.1	4,892.2	
2022-2026	6.4	837.0	38.3	1,748.4	-	624.0	3,254.1	
2027-2031	-	533.0	5.9	716.9	-	503.7	1,759.5	
2032-2036	-	264.2	1.0	168.0	-	348.9	782.1	
2037-2041	-	-	-	9.0	-	146.2	155.2	
Total Interest	666.4	7,452.7	324.4	8,411.7	4.8	3,106.4	19,966.4	
2012	316.0	1,034.7	107.1	1,186.5	22.5	173.5	2,840.3	
2013	449.1	1,048.2	91.2	1,922.2	17.9	174.6	3,703.2	
2014	329.1	1,031.0	77.9	1,425.1	12.3	175.6	3,051.0	
2015	382.5	1,033.5	69.4	1,376.8	10.1	176.5	3,048.8	
2016	419.6	2,609.8	65.1	1,670.2	9.1	200.6	4,974.4	
2017-2021	1,194.6	4,566.1	253.7	8,003.1	18.3	1,070.0	15,105.8	
2022-2026	142.4	4,811.4	138.6	6,341.2	-	1,082.6	12,516.2	
2027-2031	-	4,273.5	57.6	3,848.3	-	1,086.2	9,265.6	
2032-2036	-	3,351.0	6.5	1,181.9	-	1,089.6	5,629.0	
2037-2041	-	3,464.1	1.0	171.0	-	2,346.2	5,982.3	
Total Principal and Interest	\$ 3,233.3	\$ 27,223.3	\$ 868.1	\$ 27,126.3	\$ 90.2	\$ 7,575.4	\$ 66,116.6	

* The State is not liable for debt issued by the TSFC.

C. General Obligation Bonds

The State is empowered by voters to authorize, issue, and incur debt subject to certain constitutional restrictions. General obligation bond acts are both legislatively and voter-approved and are backed by the State's full faith and credit. As of June 30, 2011, the State had \$2.6 billion of State general obligation bonds outstanding with another \$893.2 million of bonding authorization remaining from various State general obligation bond acts. During the fiscal year, \$763.7 million of General Obligation debt was issued for various purposes, and the amount provided by the State's General Fund for debt service payments for Fiscal Year 2011 was \$132.8 million.

The State has refunded various outstanding general obligation bonds. Refunding bond proceeds are used to purchase and deposit United States Treasury Obligations – State and Local Government Series or open market U.S. Treasury Securities into a separate irrevocable trust fund held by a trustee. The investments and the fixed earnings that accrue are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the refunded debt is considered defeased at the time the refunding bonds have been issued. Therefore, the refunded debt is removed as a liability from the State's long-term obligations.

During Fiscal Year 2011, the State issued \$763.7 million of general obligation refunding bonds. As a result, \$770.2 million of bonds have been refunded and are now considered defeased. The liability has been removed from the State's long-term obligations. Total debt service payments over the next 7 years were reduced by \$6.3 million and resulted in a net present value savings of \$10.7 million. As of June 30, 2011, the amount of defeased general obligation debt outstanding, but removed from the State's long-term obligations amounted to \$655.3 million.

D. Revenue Bonds Payable

This debt classification represents bond issuances whose segment of debt service is derived solely from legally restricted revenues. Revenue bonds include debt issued by the New Jersey Building Authority (NJBA), the Garden State Preservation Trust, and the New Jersey Transportation Trust Fund Authority (TTFA). During Fiscal Year 2011, the TTFA issued \$2.1 billion of bonds, of which \$500.0 million was refunding bonds used to defease \$510.8 million of existing debt. As a result, the refunded bonds' liability has been removed from the State's long-term obligations. Total debt service payments over the next 14 years were decreased by \$29.7 million which resulted in \$15.8 million in present value savings. Total authorized but unissued revenue bonds equal \$1.6 billion as of June 30, 2011.

E. Capital Leases (Bonded)

Capital Leases represent long-term contractual debt obligations that the State has with various State authorities, for the purpose of utilizing office space for State operations and program usage. This includes the design, acquisition, and construction or renovation of facilities such as the Trenton Office Complex and Greystone Psychiatric Hospital.

F. Installment Obligations

Installment Obligations represent agreements between the State and several authorities which have issued bonds for the purpose of purchasing or constructing facilities to be rented by the State or to provide financing for other State projects. The State agrees to make payments equal to the corresponding authority's debt service, subject to and dependent upon appropriations being made from time to time by the State Legislature. At the conclusion of the term of the installment obligation agreement, title to the various facilities is transferred to the State, except in the case of the School Facilities Construction Program. During Fiscal Year 2011, these authorities issued \$2.0 billion of refunding bonds that were issued in order to defease \$1.8 billion of existing debt. The liability on these refunded bonds has been removed from the State's long-term obligations. Total debt service payments over the next 21 years were decreased by \$6.8 million and resulted in a net present value gain of \$5.7 million. The State's installment obligations outstanding as of June 30, 2011 total \$18.7 billion. Total authorized but unissued installment obligations equal \$4.7 billion as of June 30, 2011.

G. Certificates of Participation

These obligations represent several Lines of Credit that were drawn on to finance State equipment needs through the State's Master Lease Program.

H. Tobacco Settlement Financing Corporation (TSFC)

In November 1998, the State entered into a Master Settlement Agreement with participating cigarette manufacturers, 46 states, and six other United States jurisdictions in the settlement of certain smoking-related litigation. During Fiscal Year 2003, the State sold to the newly established TSFC, the State's right, title, and beneficial ownership interest in the State's right to receive tobacco settlement rights under the Master Settlement Agreement and decree of Final Judgment. In return, the TSFC issued \$3.46 billion of bonds to pay for the tobacco settlement rights. Proceeds of the two bond issuances were used to fund General Fund expenditures during Fiscal Year 2003 and Fiscal Year 2004. During Fiscal Year 2007, \$4.7 billion of refunding bonds were issued, of which \$1.1 billion were capital appreciation bonds.

During Fiscal Year 2003, the TSFC was presented as a discreet component unit of the State. Since then, the State adopted GASB Technical Bulletin No. 2004-1, *Tobacco Settlement Recognition and Financial Reporting Issues*. As a result, the TSFC is required to be shown as a blended component unit of the State. Bonds issued by the TSFC are the sole obligation of the TSFC. The State is not liable for any debt issued by the TSFC nor is the debt dependent on any dedicated stream of revenue generated by the State.

I. Unamortized Deferral on Refunding

Under GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, unamortized deferral on refunding shows the actual gain or loss on refunding transactions. Gains are shown as an asset and amortized over the shorter of the life of the refunding bonds or the bonds that were refunded. During Fiscal Year 2011, the State issued \$3.3 billion of refunding bonds that are to be amortized over a time period of one year to twelve years. GASB Statement No. 23 defines a gain/loss as the total outstanding amount of the old bonds minus the new refunding bonds issued minus the cost of issuance on the new refunding bonds. The refunding bonds have a total loss of \$970.5 million.

J. Unamortized Interest on Capital Appreciation Bonds

Unamortized Interest on Capital Appreciation Bonds represents the unaccreted interest value on zero coupon bonds that have been issued.

K. Unamortized Premium

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, requires bond premiums to be deferred and amortized over the life of the refunding bonds.

L. Accumulated Sick and Vacation Payable

Pursuant to GASB Statement No. 16, *Accounting for Compensated Balances*, Accumulated Sick and Vacation payable represents the liability due to employees for unused sick and vacation time.

M. Capital Leases (Non-Bonded)

Capital Leases represent long-term contractual obligations that the State has entered into for the purpose of utilizing office space for State operations and program usage. Examples of non-bonded capital leases include motor vehicle inspection stations, State government office buildings, and group homes for the developmentally disabled.

N. Loans Payable

The New Jersey Automobile Insurance Guaranty Fund received a \$1.3 billion loan from the New Jersey Property-Liability Insurance Guaranty Association. The loan was made in an effort to depopulate the New Jersey Automobile Insurance Guaranty Fund and to help satisfy its unfunded liability.

O. Net OPEB Obligation

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective for periods beginning after December 15, 2006, requires the reporting of future Other Postemployment Benefits (OPEB) as a general long-term obligation of the State. Based upon an actuarial valuation, the OPEB obligation as of June 30, 2011 is estimated to be \$13.5 billion.

P. Net Pension Obligation

Net Pension Obligation (NPO) represents a \$10.9 billion pension fund liability due to the Judicial Retirement System, the State Police Retirement System, the Consolidated Police and Firemen's Retirement System, and the Teachers' Pension and Annuity Fund. Financial reporting requirements for net pension fund obligations fall under the purview of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*.

Q. Pollution Remediation Obligation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, effective for periods beginning after December 15, 2007, requires the reporting of Pollution Remediation Obligations as a general long-term obligation of the State. The Pollution Remediation Obligation represents contractual commitments of the State of New Jersey with either vendors to clean up hazardous waste contaminated sites or the administrative authorization to proceed to clean up identified hazardous waste contaminated sites. Pollution remediation activities include the engagement of contractors to define the extent of the hazardous waste contamination through a remedial investigative contract, outline the method of clean up/remediation through a feasibility study contract, implement the required/recommended remediation action through construction contractors, and maintain and monitor the operations of the clean up remedy at the site.

The Pollution Remediation Obligation estimates that appear in this report are subject to change over time. Cost may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the State's obligation.

The estimated liability as of June 30, 2011 is \$80.4 million. The reported amount represents the unexpended balances of those cleanup actions in which the State has obligated itself to commence remediation. The reported amounts represent the prospective outlays for existing remediation activities and not anticipated remediation work that may be addressed by the site's responsible parties at some future time or date.

R. Other

This obligation represents unamortized long-term claims which are required to be reported under National Council on Governmental Accounting Statement No. 1 as a general long-term liability of the State. This includes Medicaid benefit claims (\$221.8 million of which \$108.8 million is federally reimbursable) which have been incurred but not reported. This obligation also includes \$118.5 million of capitalized software liability which is required to be reported in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.

S. Advance from Federal Government

As of June 30, 2011, the Unemployment Compensation Fund owed the Federal Government \$1.5 billion. These funds were used in order to pay unemployment benefits. Until the economic conditions in the State improve, such borrowings are likely to continue.

T. Deposit Fund Contracts

Large Lottery prizes are paid out to winners over a period of multiple years. Current Lottery proceeds are used to purchase deposit fund contracts which will provide sufficient amounts for future payment of installment prizes. Future payments of

installment prizes in the present value of \$445.7 million are recorded as liabilities in both the fund financial statements and the government-wide statements.

U. Moral Obligation Bonds

The authorizing legislation for certain State entities provides for specific budgetary procedures with respect to certain obligations issued by these entities. Pursuant to such legislation, a designated official is required to certify any deficiency in debt service funds maintained to meet payments of principal and interest on the obligations and a State appropriation in the amount of the deficiency is to be made. However, the State Legislature is not legally bound to make an appropriation. Bonds issued pursuant to authorizing legislation of this type are sometimes referred to as “moral obligation” bonds. There is no statutory limitation on the amount of “moral obligation” bonds which may be issued by eligible State entities. Currently, bonds issued by the South Jersey Port Corporation, the New Jersey Housing and Mortgage Finance Agency, and the Higher Education Student Assistance Authority fall under this category. Furthermore, the New Jersey Housing and Mortgage Finance Agency and the Higher Education Student Assistance Authority have not had a deficiency in their respective debt service funds which required the State to appropriate funds.

The State provides the South Jersey Port Corporation with funds to cover all debt service and property tax requirements when the Corporation’s earned revenues are anticipated to be insufficient to cover these obligations. On December 1, 2010, the Corporation certified that it would be unable to provide sufficient funds from operations for debt service, and therefore, required a State appropriation for Fiscal Year 2011 in the amount of \$7.0 million.

NOTE 11 - RISK MANAGEMENT AND INSURANCE COVERAGE

The State is self-insured and self-administered for tort, workers’ compensation, and automobile liability claims. As of June 30, 2011 no liability for unpaid claims has been established since the amount of loss cannot be reasonably estimated, however, any unpaid claims are not expected to be material. Claims are reported as expenditures in the General Fund in the year they are paid. Amounts expended for tort, workers’ compensation, and automobile liability claims for Fiscal Year 2011 and Fiscal Year 2010 are detailed below (expressed in millions):

<u>Type of Claim</u>	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>
Tort	\$ 24.5	\$ 9.2
Workers' compensation	98.6	80.9
Automobile	3.2	2.8

Property exposure is handled by a commercial insurance carrier. There were no reductions in commercial insurance coverage during the fiscal year ended June 30, 2011. No settlements exceeded commercial insurance coverage during each of the past three fiscal years. The State does not participate in any risk pools.

The State has obtained a financial guaranty policy insurance commitment to cover potential permanent losses on investments by non-state participants in the State of New Jersey Cash Management Fund-External Portion (Investment Trust Fund). The State is liable for reimbursement to the issuer of the financial guaranty policy insurance commitment for any payments made. This financial guaranty policy insurance commitment expires on July 1, 2016.

NOTE 12 – DERIVATIVES

A. Interest Rate Swap Agreements

The State has obtained long-term financing in the form of voter-approved General Obligation Debt and other obligations for which voter approval is not needed and has not otherwise been sought. Non-voter approved long-term financings include debt obligations such as revenue bonds, certificates of participation, and installment obligations. The State pays debt service on these debt obligations pursuant to a State contract or a lease it enters into with the issuer, subject to annual appropriations made by the State Legislature. These debt obligations include, but are not limited to, certain bonds issued through State public authorities such as the New Jersey Building Authority, the New Jersey Economic Development Authority, and the New Jersey Transportation Trust Fund Authority. In connection with certain bonds issued, or anticipated, through these public authorities, the State has entered into Interest Rate Exchange Agreements (Swap Agreements). As of June 30, 2011 the State has 27 active swap agreements with 11 swap providers for a combined, notional amount of \$2.9 billion.

B. Interest Rate Swap Agreements – Synthetic Rate

The State, acting through its public authorities, issued bonds bearing interest at a variable rate and simultaneously entered into one or more swap agreements with various swap providers. Under the terms of the swap agreements, the State will pay a fixed rate on a notional amount of bonds outstanding while the swap counterparty pays a variable rate on the same notional amount which is anticipated to, over time, match the variable interest rate on the bonds.

During Fiscal Years 2008 and 2009, a number of actions were taken to reverse the economic terms of existing interest rate swaps for which there were either no longer variable rate bonds outstanding or for which new variable rate bonds were not able to be issued. These actions included entering into fixed receiver swaps in May 2008 and May 2009 to reverse a portion of the payments under existing swaps for a period of time. On June 8, 2010 the State terminated one of these swaps in the notional amount of \$250 million. The swap that remains outstanding leaves the State with a net fixed rate of interest on the related agreement through September 1, 2015.

On January 20, 2011 the State terminated various outstanding New Jersey Economic Development Authority swap agreements. That notional amount of the swap agreements was \$784.8 million and the termination payment amount paid to the swap providers was \$122.6 million.

On February 22, 2011 the State terminated additional outstanding New Jersey Economic Development Authority swap agreements. That notional amount of the swap agreements was \$488.4 million and the termination payment amount paid to the swap providers was \$63.2 million.

<u>Issuer/Counterparty</u>	<u>Notional Amount (\$ Millions)</u>	<u>Effective Date</u>	<u>Fixed Rate</u>	<u>Floating Index</u>
<u>NJ Transportation Trust Fund Authority(NJTTF)</u>				
Goldman Sachs Mitsui Marine Derivative, Products L.P.	\$ 85.000	1/30/03	3.565 %	67% 1-month LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	50.000	1/30/03	3.630	67% 1-month LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	85.000	1/30/03	3.537	67% 1-week LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	62.500	1/30/03	3.675	67% 1-week LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	62.500	1/30/03	3.675	67% 1-week LIBOR
Total NJTTF	<u>345.000</u>			
<u>NJ Economic Development Authority(NJEDA)</u>				
<u>School Facilities Construction Program</u>				
Variable-to-Fixed Swaps				
Bank of America, N.A.	\$ 98.356	9/1/06	4.407	71.98% 1-month LIBOR
Bank of Montreal*	250.000	11/1/09	3.153	No Floating Payment
		11/1/12	4.549	62% 1-month LIBOR + 40 bps
Deutsche Bank AG - New York Branch	10.020	11/1/06	4.324	75% 1-month LIBOR + 5.25 bps
Goldman Sachs Mitsui Marine Derivative, Products L.P.	78.168	3/1/06	4.296	70.8% 1-month LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	93.187	9/1/06	4.407	71.98% 1-month LIBOR
Goldman Sachs Mitsui Marine Derivative, Products L.P.	112.069	9/1/07	4.399	71.57% 1-month LIBOR
Natixis Financial Products, LLC.	221.028	11/1/08	4.489	62% 1-month LIBOR + 40 bps
Merrill Lynch Capital Services, Inc.	324.061	5/1/10	4.251	62% 1-month LIBOR + 40 bps
Royal Bank of Canada	144.273	5/1/09	4.512	62% 1-month LIBOR + 40 bps
UBS AG, Stamford Branch	64.323	9/1/04	4.063	71.13% 1-month LIBOR
UBS AG, Stamford Branch	74.573	3/1/05	4.176	74.24% 1-month LIBOR
UBS AG, Stamford Branch	116.098	9/1/07	4.399	71.57% 1-month LIBOR
Wells Fargo Bank, N.A.	140.596	9/1/04	4.063	71.13% 1-month LIBOR
Wells Fargo Bank, N.A.	80.045	3/1/05	4.176	74.24% 1-month LIBOR
Wells Fargo Bank, N.A.	163.445	3/1/06	4.296	70.8% 1-month LIBOR
Fixed-to-Variable Swap				
UBS AG, Stamford Branch	380.515	5/1/08	3.036	75% 1-month LIBOR
Total NJEDA	<u>2,350.757</u>			
<u>NJ Building Authority(NJBA)</u>				
Citibank, N.A., New York	\$ 70.595	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Citibank, N.A., New York	30.250	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Goldman Sachs Mitsui Marine Derivative, Products L.P.	23.525	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Goldman Sachs Mitsui Marine Derivative, Products L.P.	10.090	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Morgan Stanley Capital Services, Inc.	23.525	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Morgan Stanley Capital Services, Inc.	10.090	8/20/03	3.640	62% 1-month LIBOR + 20 bps
Total NJBA	<u>168.075</u>			
Total	<u>\$ 2,863.832</u>			

* This swap pays at a fixed rate with no floating rate receipt through November 1, 2012. Beginning November 1, 2012, the swap has both fixed and floating payments as indicated.

The swap agreements listed above have final maturities ranging from November 1, 2011 through March 1, 2035. The swap agreements total current notional amount is \$2,863.8 million. Under the swap agreements, the State pays the counterparties a fixed payment ranging from 3.153 percent to 4.549 percent and receives a variable payment as computed for each associated variable rate transaction as shown above. In regards to the fixed rate transaction, the State pays a counterparty a variable rate payment equal to 75 percent of the 1-month LIBOR while receiving a fixed payment at a rate of 3.036 percent. The swap provider calculates the variable rate, as well as the dollar amount that is owed by the swap counterparty. The remarketing agent determines the variable interest rate that is applied to the bonds. The State confirms all calculations to ensure accuracy.

C. Interest Rate Swap Agreements - Fair Value

As of June 30, 2011, the State, acting through its public authorities, is party to 27 swap agreements. General interest rates have declined since the execution of the swap agreements which were executed between January 30, 2003 and May 1, 2010. As a result, the projected net present value of the State's entire portfolio as of June 30, 2011 is negative \$386.5 million. A breakdown of this amount is shown below (\$ millions):

<u>Governmental Activities</u>	<u>Changes in Fair Value</u>		<u>Fair Value at June 30, 2011</u>	
	<u>Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>
Cash Flow Hedges:				
Pay fixed interest rate swaps				
NJ Building Authority	Deferred outflows	\$ 1.979	Debt	\$ (18.177)
NJ Economic Development Authority				
School Facilities Construction Program	Deferred outflows	303.119	Debt	-
NJ Transportation Trust Fund Authority	Deferred outflows	6.052	Debt	(6.733)
Total Cash Flow Hedges		<u>311.150</u>		<u>(24.910)</u>
Investment Derivatives:				
Pay interest rate swaps				
NJ Economic Development Authority				
School Facilities Construction Program	Investment earnings	\$ 11.961	Investment	\$ (361.676)
NJ Transportation Trust Fund Authority	Investment earnings	1.672	Investment	0.086
Total Investment Derivatives		<u>13.633</u>		<u>(361.590)</u>
Total		<u>\$ 324.783</u>		<u>\$ (386.500)</u>

The fair values of the swaps take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. The fair market values were calculated using the zero-coupon method. The zero-coupon method calculates the future net settlement payments required by each swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

The amounts shown above are the amounts that the State would pay to swap counterparties in the event that all the State's swap agreements were terminated on June 30, 2011. The swap agreements could only be terminated for certain events of default listed in each swap agreement document, including a swap counterparty default. In the event of a swap counterparty default, it is likely that this event would be remedied through the assignment to an alternate swap counterparty.

D. Interest Rate Swap Agreements - Credit Risk

The swap agreement contracts required that each swap counterparty shall have a credit rating from at least one nationally recognized statistical rating agency that is within the two highest investment grade categories at the onset of the swap contract. Ratings, which are obtained from any other nationally recognized statistical rating agencies for such swap counterparty shall also be within the three highest investment rated categories, or the payment obligations of the swap counterparty shall also be unconditionally guaranteed by an entity with such credit ratings. The swap agreements also require that should the credit rating of a swap counterparty fall below the rating required, that the obligations of such swap counterparty shall be fully and continuously collateralized by direct obligations of, or obligations the principal and interest on which are guaranteed by, the United States of America, at the agreed upon collateral threshold levels pursuant to the Credit Support Annex. The collateral threshold levels are adjusted based on counterparty ratings as set forth in the Credit Support Annex. Even though some of the mark to market values of the swap agreements have in the past, and are currently positive, none of these positive mark to market values have resulted in collateral posting under the Credit Support Annex. No collateral posting is required as of June 30, 2011.

E. Interest Rate Swap Agreements - Basis Risk

The swap agreements expose the State to basis risk should the relationship between LIBOR and actual variable rate payments on the related bonds diverge. The effect of this difference in basis is indicated by the difference between the anticipated variable rate and the actual variable rate.

F. Interest Rate Swap Agreements - Termination Risk

Each swap agreement contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes “additional termination events”, providing that the swap agreements may be terminated if either the State’s or a swap counterparty’s credit quality rating falls below certain levels, generally below “BBB-” or “Baa2”. The State or the swap counterparties may terminate the swap agreements if the other party fails to perform under the terms of the contract. If one or more of the swap agreements is terminated, the related variable rate bonds would no longer be hedged and the State would no longer be effectively paying a synthetic fixed rate with respect to those bonds. Also, if at the time of termination the swap agreement has a negative fair value, the State would incur a loss and would be required to settle with the swap counterparty at the swap agreement’s fair value. If at the time of a termination the swap agreement has a positive fair value, the State would incur a gain and would be able to settle with the swap counterparty at the swap agreement’s fair value.

NOTE 13 - OTHER LIABILITIES – CURRENT

Other liabilities presented in the statement of net assets consist principally of revenue refunds payable to taxpayers of \$344.9 million.

In addition, the Unemployment Compensation Interest Repayment Fund reflects other liabilities of \$34.1 million to the federal government representing interest accrued on outstanding loans to the Unemployment Compensation Fund. The New Jersey Schools Development Authority reflects other liabilities of \$12.6 million which represent deposits received from local school districts to fund the local share portion of Regular Operating District school facility projects or to cover certain ineligible costs pertaining to projects in the New Jersey Schools Development Authority school districts.

NOTE 14 - NET ASSETS RESTRICTED BY ENABLING LEGISLATION/GOVERNMENTAL FUND BALANCES

A. Net Assets Restricted by Enabling Legislation

As of June 30, 2011, \$3.9 billion of restricted net assets are reported in the Statement of Net Assets. Net assets are restricted when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government. Unexpended debt proceeds that are recorded as assets and restricted fund balance in the governmental funds (\$546.7 million) have been deducted from the restricted net asset balance.

B. Governmental Fund Balances

In the governmental fund financial statements, fund balances are segregated into the following categories: nonspendable, restricted, committed, and unassigned.

Nonspendable

The nonspendable fund balance classification includes amounts in the New Jersey Cultural Trust Fund (\$20.0 million) and the State of New Tischler Memorial Fund (\$0.4 million) that are legally required to remain intact.

Restricted

Similar to the net assets restricted by enabling legislation definition, the restricted fund balance classification is used when constraints have been placed upon the use of resources through enabling legislation initiated by voter referendum, constitutional provisions, debt covenants, or other external parties such as the federal government.

Committed

The committed fund balance classification is used for amounts that can only be used for purposes specified in enabling legislation, with the consent of both the legislative and executive branches. In contrast to the restricted fund balance classification, amounts in this category may be redeployed for other purposes with appropriate due process.

As mentioned above, both restricted and committed fund balances, respectively, may only be used for purposes specified in enabling legislation. Within these balances, however, money has been set aside (encumbered) pending vendor performance. In addition, within these balances are long-term loans and other items such as legally mandated reserves and escrow balances that represent balances that are not currently available for expenditure in subsequent accounting periods.

The following table reflects restricted and committed fund balances in the aggregate that have been encumbered or are currently unavailable for current expenditure as of June 30, 2011 (expressed in millions):

Major Components of:	General Fund	Property Tax Relief Fund	Non-Major Governmental Funds	Total Governmental Funds
Restricted Fund Balances	\$ 985.9	\$ -	\$ 3,417.8	\$ 4,403.7
Encumbrances	266.4	-	425.0	691.4
Long-term loans	379.4	-	1,239.3	1,618.7
Other	-	-	89.6	89.6
Committed Fund Balances	\$ 1,896.9	\$ 431.0	\$ 696.7	\$ 3,024.6
Encumbrances	692.8	0.7	374.9	1,068.4
Long-term loans	-	-	11.1	11.1

Restricted Fund Balance – Other includes the following:

Fund for Support of Free Public Schools

New Jersey statutes provide for the establishment of a school bond reserve within this fund. The school bond reserve consists of two accounts, the old school bond reserve account and the new school bond reserve account. The old school bond reserve account shall be funded in an amount equal to at least 1.5 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued prior to July 1, 2003. The new school bond reserve account shall be funded in an amount equal to at least one percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes for all such indebtedness issued on or after July 1, 2003, exclusive of bonds for debt service, which is provided by State appropriations. Accordingly, \$89.6 million has been reserved as of June 30, 2011.

Unassigned

The unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted or committed to specific purposes within the General Fund. As of June 30, 2011, the unassigned fund balance was \$864.1 million.

NOTE 15 – OTHER FINANCING SOURCES/USES - OTHER

The following items were recorded as other financing sources (uses) – other in the fund financial statements (expressed in millions):

	General Fund	Non-Major Funds	Total Governmental Funds
Refunding debt issued	\$ 2,690.1	\$ 563.7	\$ 3,253.8
Premium related to refunding debt	179.7	-	179.7
Premium related to new debt issuances	-	13.3	13.3
Capital lease acquisitions	6.6	-	6.6
Certificates of participation issued	75.1	-	75.1
Payments to escrow agents on refunding bonds	(2,869.8)	(563.7)	(3,433.5)
Other Financing Sources (Uses) - Other	\$ 81.7	\$ 13.3	\$ 95.0

NOTE 16 – OPERATING LEASES

The State of New Jersey has commitments to lease certain land, buildings, and equipment under arrangements representing operating leases. Future minimum rental commitments for noncancelable operating leases as of June 30, 2011 are as follows (expressed in millions):

<u>Fiscal Year</u>	<u>Amount</u>
2012	\$ 50.7
2013	39.4
2014	26.9
2015	22.9
2016	18.3
2017-2021	32.8
2022-2026	2.0
2027-2030	<u>1.1</u>
Total Future Minimum Lease Payments	\$ <u>194.1</u>

NOTE 17 – RETIREMENT SYSTEMS, HEALTH BENEFITS, AND POST-RETIREMENT MEDICAL BENEFITS

A. RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees:

Consolidated Police and Firemen's Pension Fund (CPFPF)--established in January 1952, under the provisions of N.J.S.A. 43:16 to provide coverage to municipal police and firemen who were appointed prior to July 1, 1944. The fund is a closed system with no active members.

Judicial Retirement System (JRS)--established in June 1973, under the provisions of N.J.S.A. 43:6A to provide coverage to all members of the State judiciary system. Membership is mandatory for such employees with vesting after five years of successive service as a judge and ten years in the aggregate of public service.

Police and Firemen's Retirement System (PFRS)--established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after ten years of membership.

Prison Officers' Pension Fund (POPF)--established in January 1941, under the provisions of N.J.S.A. 43:7 to provide coverage to various employees of the State penal institutions who were appointed prior to January 1, 1960. The fund is a closed system with no active members. New employees of the State penal institutions are enrolled in the Police and Firemen's Retirement System.

Public Employees' Retirement System (PERS)--established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State administered retirement system. Membership is mandatory for such employees and vesting occurs after eight to ten years of service for pension benefits and 25 years for post-retirement health care coverage.

State Police Retirement System (SPRS)--established in July 1965, under the provisions of N.J.S.A. 53:5A to provide coverage to all uniformed officers and troopers of the State Police in the State. Membership is mandatory and vesting occurs after ten years of membership.

Teachers' Pension and Annuity Fund (TPAF)--established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after ten years of service for pension benefits and 25 years for post-retirement health care coverage.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Central Pension Fund (CPF) which is a single-employer noncontributory defined benefit plan for special groups which are not included in other State-administered systems.

The State also administers the Pensions Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which are the CPFPF, POPF, and CPF. This benefit is funded by the State as benefit allowances become payable. The State also administers the Defined Contribution Retirement Program, which is not presented in the Pension statements in the CAFR.

The cost of living increase for PFRS, PERS, TPAF, SPRS, and JRS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trusts. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Significant Legislation

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which TPAF, PERS, PFRS, SPRS, and JRS operate and to the benefit provisions of those systems.

This new legislation's provisions impacting employee pension and health benefits include:

- New members of TPAF and PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the TPAF and PERS is increased from age 62 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.
- Active member contribution rates will increase. TPAF and PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years; PFRS and PERS Prosecutors Part active member rates increase from 8.5 percent to 10 percent; SPRS active member rates increase from 7.5 percent to 9 percent; and JRS active member rates increase from 3 percent to 12 percent phased-in over seven years. For Fiscal Year 2012, the member contribution rates will increase in October 2011. The phase-in of the additional incremental member contributions for TPAF, PERS and JRS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D, and Common Pension Fund E. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

Funded Status and Funding Progress

As of July 1, 2010, the most recent actuarial valuation date, the aggregate funded ratio for the retirement systems (TPAF, PERS, PFRS, POPF, CPOPF, JRS, and SPRS) is 70.5 percent with an unfunded actuarial accrued liability of \$36.3 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 65.2 percent and \$25.6 billion, respectively, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 78.5 percent and \$10.7 billion, respectively.

The required supplementary information regarding the funded status and funding progress of the retirement systems includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far

into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

The schedule of funding progress in the required supplementary information presents multi-year trend information about whether the actuarial value of plans assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2010 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for all the retirement systems except POPF and CPFPPF, and (2) 5.45 percent for projected salary increases for all the retirement systems except TPAF, PFRS, and JRS.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on percentages ranging from 3.00 percent to 8.50 percent of employees' annual compensation.

Annual Pension Cost (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2011 for CPFPPF and TPAF, which are cost sharing plans with special funding situations, and for JRS, POPF, and SPRS, which are single employer plans, the annual pension cost differs from the annual required contribution. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made. The annual pension cost for the fiscal year ending June 30, 2011 and related information, including a summary of the significant actuarial methods and assumptions used by the retirement systems, are presented on the following pages.

The calculation of the employer contribution rates on the following pages, for State and Local, for all the retirement systems except PFRS, is the APC divided by the covered payroll in the Schedule of Funding Progress per the actuarial valuations as of June 30, 2009. PFRS used the covered payroll per the actuarial valuation as of June 30, 2008 for this calculation. The actuarial valuations were prepared on July 1 of their respective years.

	<u>CPFPF</u>	<u>JRS</u>	<u>PFRS</u>
Annual Pension Cost (APC)			
State:			
June 30, 2009	\$ (41,617)	\$ 30,340,168	\$ 20,014,342
June 30, 2010	1,110,290	33,693,313	7,326,383 *
June 30, 2011	(785,728)	40,312,651	7,736,000
Local:			
June 30, 2009	-	-	696,476,702
June 30, 2010	-	-	751,395,802
June 30, 2011	-	-	892,167,113
Contributions Made			
State:			
June 30, 2009	1,256,398	1,696,843	20,014,342
June 30, 2010	- *	1,032,857 *	7,326,383 *
June 30, 2011	-	864,000	7,736,000
Local:			
June 30, 2009	-	-	696,476,702
June 30, 2010	-	-	751,395,802
June 30, 2011	-	-	892,167,113
Percentage of APC Contributed			
State:			
June 30, 2009	(3,019.0)%	5.6%	100.0%
June 30, 2010	- *	3.1% *	100.0%
June 30, 2011	-	2.1%	100.0%
Local:			
June 30, 2009	-	-	100.0%
June 30, 2010	-	-	100.0%
June 30, 2011	-	-	100.0%
Net Pension Obligation			
State:			
June 30, 2009	568,400	53,059,022	-
June 30, 2010	1,314,442	85,719,478 *	-
June 30, 2011	528,714	125,168,129	-
Local:			
June 30, 2009	-	-	-
June 30, 2010	-	-	-
June 30, 2011	-	-	-
Contribution rates			
State	N/A	57.5%	1.5%
State-related employers	N/A	N/A	29.1%
Employees	N/A	3.0%	8.5%

Significant Actuarial Assumptions and Methods

Date of actuarial valuation	06/30/10	06/30/10	06/30/10
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Dollar Closed	Level Dollar Open	Level Dollar Open
Remaining amortization period	1 year	30 years	30 years
Asset valuation method	Five Year Average of Market Value	Five Year Average of Market Value	Five Year Average of Market Value
Actuarial assumptions			
Investment rate of return	2.00%	8.25%	8.25%
Projected salary increases	N/A	4.50%	7.20%
Cost-of-Living adjustments	N/A	0.00%	0.00%

* Restated

	POPF	PERS	SPRS	TPAF
Annual Pension Cost (APC)				
State:				
June 30, 2009	\$ (377,664)	\$ 49,408,878	\$ 93,288,971	\$ 1,697,374,216
June 30, 2010	21,555	27,910,317 *	100,220,381	1,896,879,039
June 30, 2011	276,668	30,156,774	125,084,190	2,254,837,321
Local:				
June 30, 2009	-	578,581,071	-	-
June 30, 2010	-	612,372,679 *	-	-
June 30, 2011	-	814,203,217	-	-
Contributions Made				
State:				
June 30, 2009	-	49,408,878	5,574,860	95,863,972
June 30, 2010	-	27,910,317 *	1,018,200 *	33,199,655 *
June 30, 2011	-	30,156,774	1,600,000	30,655,332
Local:				
June 30, 2009	-	578,581,071	-	-
June 30, 2010	-	612,372,679 *	-	-
June 30, 2011	-	814,203,217	-	-
Percentage of APC Contributed				
State:				
June 30, 2009	-	100.0%	6.0%	5.6%
June 30, 2010	-	100.0%	1.0% *	1.8% *
June 30, 2011	-	100.0%	1.3%	1.4%
Local:				
June 30, 2009	-	100.0%	-	-
June 30, 2010	-	100.0%	-	-
June 30, 2011	-	100.0%	-	-
Net Pension Obligation				
State:				
June 30, 2009	(6,748,375)	-	405,518,554	6,015,956,229
June 30, 2010	(6,726,820)	-	504,720,735 *	7,879,635,613 *
June 30, 2011	(6,450,152)	-	628,204,925	10,103,817,602
Local:				
June 30, 2009	-	-	-	-
June 30, 2010	-	-	-	-
June 30, 2011	-	-	-	-
Contribution rates				
State	N/A	0.7%	43.5%	23.1%
State-related employers	N/A	11.0%	N/A	N/A
Employees	N/A	5.5%	7.5%	5.5%
		(8.5% for County Prosecutors)		
Significant Actuarial Assumptions and Methods				
Date of actuarial valuation	6/30/10	6/30/10	6/30/10	6/30/10
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Dollar Closed	Level Dollar Open	Level Dollar Open	Level Dollar Open
Remaining amortization period	1 year	30 years	30 years	30 years
Asset valuation method	Market Value	Five Year Average Market Value	Five Year Average Market Value	Five Year Average Market Value
Actuarial assumptions				
Investment rate of return	5.00%	8.25%	8.25%	8.25%
Projected salary increases	N/A	5.45%	5.45%	5.91%
Cost-of-Living adjustments	N/A	0.00%	0.00%	0.00%

* Restated

The Annual Pension Cost (APC) and Net Pension Obligation (NPO) for the single employer plans and cost sharing plans with special funding situations, which are administered by the State of New Jersey for the fiscal year ending June 30, 2011 are presented below:

	SINGLE EMPLOYER PLANS		
	<u>JRS</u>	<u>POPF</u>	<u>SPRS</u>
Annual Required Contribution, June 30, 2011	\$ 38,450,553	\$ (6,450,152)	\$ 114,120,061
Interest adjustment on NPO	7,071,857	(336,341)	41,639,461
Adjustment to Annual Required Contribution	<u>(5,209,759)</u>	<u>7,063,161</u>	<u>(30,675,332)</u>
APC as of June 30, 2011	40,312,651	276,668	125,084,190
Total Fiscal Year 2011 Contributions	<u>864,000</u>	<u>-</u>	<u>1,600,000</u>
Increase (Decrease) in NPO	39,448,651	276,668	123,484,190
NPO as of June 30, 2010	85,719,478 *	(6,726,820)	504,720,735 *
NPO as of June 30, 2011	<u>\$ 125,168,129</u>	<u>\$ (6,450,152)</u>	<u>\$ 628,204,925</u>

	COST SHARING PLANS WITH SPECIAL FUNDING SITUATIONS		
	<u>CPFPF</u>	<u>TPAF</u>	<u>Total All Plans</u>
Annual Required Contribution, June 30, 2011	\$ 528,714	\$ 2,123,175,950	\$ 2,269,825,126
Interest adjustment on NPO	26,289	650,069,938	698,471,204
Adjustment to Annual Required Contribution	<u>(1,340,731)</u>	<u>(518,408,567)</u>	<u>(548,571,228)</u>
APC as of June 30, 2011	(785,728)	2,254,837,321	2,419,725,102
Total Fiscal Year 2011 Contributions	<u>-</u>	<u>30,655,332</u>	<u>33,119,332</u>
Increase (Decrease) in NPO	(785,728)	2,224,181,989	2,386,605,770
NPO as of June 30, 2010	1,314,442	7,879,635,613 *	8,464,663,448 *
NPO as of June 30, 2011	<u>\$ 528,714</u>	<u>\$ 10,103,817,602</u>	<u>\$ 10,851,269,218</u>

* Restated

B. HEALTH BENEFITS AND POST-RETIREMENT MEDICAL BENEFITS

As a result of implementing GASB Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other Employee Benefit Trust Funds. Specifically, the SHBP-State, the PDP-State, and the PRM of the PERS are combined and reported as Health Benefits Program Fund-State classified as a single employer plan. The SHBP-Local, the PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund-Local Government classified as a cost-sharing multiple-employer plan. The post-retirement benefit programs had a total of 547 state and local participating employers and contributing entities for Fiscal Year 2011.

The State of New Jersey sponsors and administers the following health benefit programs covering substantially all state and local government employees.

Health Benefits Program Fund (HBPF)-Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

Health Benefits Program Fund (HBPF)-Local Government (including Prescription Drug Program Fund) – Certain local employers who participate in the State Health Benefits Program provide health insurance coverage to

their employees at retirement. Under provisions of P.L. 1997, c.330, the State of New Jersey provides partially funded benefits to local police officers and firefighters who retire with 25 years of service (or on disability) from an employer who does not provide coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. Also, local employees are eligible for the PDP coverage after 60 days of employment.

Health Benefits Program Fund (HBPF)-State (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.25 provides medical coverage to qualified active and retired participants. Under P.L. 1977, c.136, the State of New Jersey pays for the health insurance coverage of all enrolled retired State employees (regardless of age) whose pensions are based upon 25 years or more of credited service or a disability retirement regardless of years of service. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. The Prescription Drug Program Fund (PDP) was established in December 1974, under N.J.S.A. 52:14-17.29 to provide coverage to employees and their eligible dependents for drugs which under federal or State law may be dispensed only upon a prescription written by a physician. State employees are eligible for PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above funds. The financial reports may be accessed via the Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2010, the most recent actuarial valuation date, the State had a \$59.3 billion unfunded actuarial accrued liability for OPEB which is made up of \$21.1 billion for state active and retired members and \$38.2 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The required supplementary information regarding the funded status and funding progress of the OPEB is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events in the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

The schedule of funding progress in the required supplementary information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2010, actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as the asset valuation method for the OPEB. The actuarial assumptions included 4.50 percent for investment rate of return for the OPEB.

Post-Retirement Medical Benefits Contribution

P.L. 1987, c.384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2011, there were 93,323 retirees receiving post-retirement medical benefits, and the State contributed \$935.5 million on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

Commencing on July 1, 1997, State employees attaining 25 years of service credit after this date in a State administered retirement system and those who retire on disability who elect the NJ Direct 10 Plan shall be subject to premium sharing based on the negotiated contracts.

P.L. 1977, c.136, provides for the State's General Fund to pay health benefits on a pay-as-you-go basis for all enrolled retired State employees, regardless of retirement date, under two provisions. The first is for State employees whose pensions are based on 25 years or more of credited service (except those who elect a deferred retirement). The second is for retired State employees who are eligible for a disability retirement regardless of years of service. The State contributed \$108.1 million for 8,161 eligible retired members for Fiscal Year 2011. This benefit covers the Police and Firemen's Retirement System, the Prison Officers' Pension Fund, the Judicial Retirement System, the Central Pension Fund, the State Police Retirement System, and the Alternate Benefit Program.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

P.L. 1997, c.330, provides State paid post-retirement health benefits to qualified retirees of the Police and Firemen's Retirement System and the Consolidated Police and Firemen's Pension Fund and to dependents of qualified retirees. The State is responsible for 80 percent of the premium for the category of coverage elected by the retiree under the State managed care plan or a health maintenance organization participating in the program, whichever provides the lower charge. The State contributed \$34.2 million in the current year to provide benefits under Chapter 330 to qualified retirees.

Annual OPEB Cost (AOC)

The annual OPEB cost for the fiscal year ending June 30, 2011 and related information, including a summary of the significant actuarial methods and assumptions used by OPEB, are presented below.

The calculation of the employer contributions rates listed below for OPEB is the AOC divided by the covered payroll in the Schedule of Funding Progress per the actuarial valuations as of July 1, 2010.

		<u>OPEB - STATE</u>	
Annual OPEB Cost (AOC)		Significant Actuarial Assumptions and Methods	
State:	June 30, 2009	\$ 4,646,100,000	Date of actuarial valuation
	June 30, 2010	4,719,500,000	6/30/10
	June 30, 2011	4,917,000,000	Actuarial cost method
			Projected Unit Credit
Contributions Made			Amortization method
State:	June 30, 2009	1,187,200,000	Level Percent Open
	June 30, 2010	1,327,000,000	Remaining amortization period
	June 30, 2011	1,444,900,000	30 years
Percentage of AOC Contributed			Asset valuation method
State:	June 30, 2009	25.6%	Market Value
	June 30, 2010	28.1%	Actuarial assumptions
	June 30, 2011	29.4%	Investment rate of return
Net OPEB Obligation (NOO)			4.50% (assuming no prefunding)
State:	June 30, 2009	6,636,300,000	Projected salary increases
	June 30, 2010	10,028,800,000	N/A
	June 30, 2011	13,501,000,000	Cost-of-Living adjustments
			N/A
Contribution rates			
	State	23.6%	
	Employees	N/A	

For medical benefits, the healthcare cost trend rate assumption initially is at 8.0 percent or 9.0 percent (depending on the medical plan) and decreases to a 5.0 percent long-term trend rate for all medical benefits after six or eight years. For prescription drug benefits, the initial healthcare cost trend rate assumption is 10.0 percent, decreasing to a 5.0 percent long-term trend rate after ten years. For Medicare Part B reimbursement, the healthcare cost trend rate assumption is 5.0 percent throughout 11 years.

The AOC and NOO for the State-funded post-retirement medical obligations for the fiscal year ending June 30, 2011 are presented below:

Annual Required Contribution, June 30, 2011	\$ 4,840,000,000
Adjustment to Annual Required Contribution	77,100,000
AOC as of June 30, 2011	<u>4,917,100,000</u>
Total Fiscal Year 2011 Contributions	<u>1,444,900,000</u>
Increase in NOO	3,472,200,000
NOO as of June 30, 2010	<u>10,028,800,000</u>
NOO as of June 30, 2011	<u>\$ 13,501,000,000</u>

NOTE 18 – COMPONENT UNITS

A. Authorities

Managed independently of the appropriated budget process, the Authorities are legally separate entities with powers generally vested in a governing board. Established for the benefit of the State's citizenry, Authorities exist for a variety of purposes such as financing economic development, public transportation, low-cost housing, environmental protection, and capital development for health and education. Unlike the State itself, Authorities are not subject to State constitutional restrictions on the incurrence of debt; however, similar to the State, Authorities may issue bonds and notes within legislatively authorized amounts.

With the approval of the State Senate, the Governor appoints the members of the board of most Authorities. Authorities generally submit annual reports to the Governor, the State Legislature, and the Director, Division of Budget and Accounting on their operations and finances accompanied by an independent auditor's report thereon. Authorities also submit annual budget information on operations and capital construction to the Governor and the State Legislature. From time to time, the Governor has exercised the statutory power to veto actions.

The activities of the Garden State Preservation Trust, the New Jersey Building Authority, the New Jersey Schools Development Authority, the New Jersey Transportation Trust Fund Authority, and the Tobacco Settlement Financing Corporation have been blended into the financial activities of the State as Special Revenue Funds.

In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, all other Authorities have been presented discretely as major and non-major component units in the State's financial statements. These component units are included in the State's reporting entity because of the significance of their operational or financial relationship with the State. Financial statements for the Authorities are derived from their most recently issued financial statements. Descriptions of the discretely presented Authorities, and addresses from which separately issued audited financial statements and accompanying notes may be obtained, are provided below:

Atlantic City Convention & Visitors Authority (N.J.S.A. 52:27H-29 et seq.)
2314 Pacific Avenue
Atlantic City, New Jersey 08401
<http://www.atlanticcitynj.com>

The Atlantic City Convention & Visitors Authority was established to promote the tourist, resort, convention, and casino industries, as well as operate and maintain the Atlantic City Convention Center, the Historic Boardwalk Hall, and the West Hall. The Authority serves as the destination's principal marketing arm, stimulating economic growth through convention and leisure tourism development.

Casino Reinvestment Development Authority (N.J.S.A. 5:12-153)
1014 Atlantic Avenue, P.O. Box 749
Atlantic City, New Jersey 08401
<http://www.njcrda.com>

The Casino Reinvestment Development Authority (CRDA) was created to maintain public confidence in the casino gaming industry as a tool of urban redevelopment throughout New Jersey, and to facilitate the direct redevelopment of blighted areas by providing eligible projects in which licensees (casinos) can invest. CRDA encourages investment in, or financing of, projects which are made as part of a comprehensive plan to improve blighted areas or targeted to benefit low- through middle-income residents. CRDA is also responsible for promoting the tourist industry in New Jersey, especially in Atlantic County.

Higher Education Student Assistance Authority (N.J.S.A. 18A:71A-1 et. seq.)
4 Quakerbridge Plaza, P.O. Box 545
Trenton, New Jersey 08625-0545
<http://www.hesaa.org>

New Jersey's Higher Education Student Assistance Authority (HESAA) was established to provide a single statewide agency for the coordination and delivery of student financial assistance. HESAA serves as the Guaranty Agency for the Federal Family Education Loan (FFEL) program and the issuer of State of New Jersey College Loans to Assist State Students (NJCLASS) supplementary loan program. In addition to administering the delivery of a number of need- and merit-based State scholarship programs, to include Tuition Aid Grants (TAG), New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS), and World Trade Center Scholarship Fund, HESAA oversees the State's 529 College Savings Program, known as the New Jersey Better Educational Savings Trust (NJBEST).

New Jersey Economic Development Authority (N.J.S.A. 34:1B-4)
36 West State Street, P.O. Box 990
Trenton, New Jersey 08625-0990
<http://www.njeda.com>

The New Jersey Economic Development Authority is authorized to arrange long-term, low-interest financing, as well as other forms of assistance to private firms and companies, for the purpose of maintaining and expanding employment opportunities and enlarging New Jersey's tax base for State and local governments.

New Jersey Educational Facilities Authority (N.J.S.A. 18A:72A-4)
103 College Road East, 2nd Floor
Princeton, New Jersey 08540-6612
<http://www.njefa.com>

The New Jersey Educational Facilities Authority (NJEFA) provides a means for New Jersey public and independent colleges and universities to construct additional facilities through the financial resources of a public authority empowered to sell their debt instruments (bonds, notes, and other obligations). NJEFA may finance academic and auxiliary facilities for the State's public and independent institutions of higher education.

New Jersey Environmental Infrastructure Trust (N.J.S.A. 58:11B-4)
3131 Princeton Pike, Bldg. 6, Suite 201
Lawrenceville, New Jersey 08648
<http://www.njeit.org>

The New Jersey Environmental Infrastructure Trust provides low-cost financing for the construction of environmental infrastructure projects that enhance and protect ground and surface water resources, ensure the safety of drinking water supplies, and make possible responsible and sustainable economic development.

Working in partnership with the New Jersey Department of Environmental Protection, the Trust has devised a system to leverage the funds available from the federal government to make money available at the lowest possible cost. The financing program has provided funds to local and county government units, as well as some private water companies, to finance wastewater systems, combined sewer overflow abatement, nonpoint source pollution control, safe drinking water supplies, and open space acquisition.

New Jersey Health Care Facilities Financing Authority (N.J.S.A. 26:2I-4)
South Clinton and Yard Avenues, Station Plaza Bldg. #4
P.O. Box 366
Trenton, New Jersey 08625-0366
<http://www.njhcffa.com>

The New Jersey Health Care Facilities Financing Authority provides low-cost capital financing for the State's public and private not-for-profit health care institutions.

New Jersey Housing and Mortgage Finance Agency (N.J.S.A. 55:14K-4)
637 South Clinton Avenue, P.O. Box 18550
Trenton, New Jersey 08650
<http://www.state.nj.us/dca/hmfa>

The Housing and Mortgage Finance Agency (HMFA) makes mortgage and improvement loans to nonprofit and limited dividend sponsors for the construction or major rehabilitation of rental apartment housing for low- and moderate-income families and senior citizens. In addition to providing financing, HMFA monitors and provides technical support in the planning, construction, and management of all developments in its portfolio. Its mortgage loan funds come from the sale of tax-exempt revenue bonds.

In promoting the availability of affordable homeownership financing, HMFA also provides low-interest mortgage and improvement loans to eligible residents throughout the State. Proceeds from the sale of tax-exempt mortgage revenue bonds enable the Agency to finance the purchase and improvement of one- to four-unit residences.

New Jersey Meadowlands Commission (N.J.S.A. 13:17-5)
One DeKorte Park Plaza
Lyndhurst, New Jersey 07071
<http://www.njmeadowlands.gov>

The New Jersey Meadowlands Commission is the planning and zoning agency for the reclaiming, planning, development, redevelopment, and enhancement (including open space acquisition) of the 19,730-acre Meadowlands District. The District consists of waterways, tidal flow lands, woodlands, marsh, and meadows contained within portions of 14 municipalities and two counties (Bergen and Hudson). If needed, the Commission is able to raise funds through the issuance of tax-exempt bonds and notes.

New Jersey Redevelopment Authority (P.L. 1996, c.62)
150 West State Street, P.O. Box 790
Trenton, New Jersey 08625
<http://www.njra.us>

The New Jersey Redevelopment Authority provides assistance in the redevelopment and revitalization of New Jersey cities. The Authority provides financial, managerial, and technical assistance to persons, firms, or corporations that wish to undertake industrial, commercial, or civic projects within qualified municipalities.

New Jersey Sports and Exposition Authority (N.J.S.A. 5:10-4)
50 State Route 120
East Rutherford, New Jersey 07073
<http://www.njsea.com>

The New Jersey Sports and Exposition Authority (NJSEA) owns, operates, and manages a variety of sports, entertainment, wagering, and convention facilities throughout New Jersey; it also has been responsible for the financing, construction, and management of the Meadowlands Racetrack, the IZOD Center, and the new stadium. In addition to being authorized to issue bonds and notes and provide the terms and security thereof, NJSEA is charged with the responsibility to own, operate, and build various facilities for athletic and entertainment events, trade shows, and other expositions located throughout the State.

New Jersey Transit Corporation (N.J.S.A. 27:25-1)
One Penn Plaza East
Newark, New Jersey 07105
<http://www.njtransit.com>

New Jersey Transit Corporation (NJ TRANSIT) is empowered to acquire, own, operate, and contract for the operation of public transportation services. Both the State, by legislative appropriation, and the federal government, by defined formula grants under the Federal Transit Administration, provide NJ TRANSIT with operating subsidies. NJ TRANSIT uses these subsidies to operate public transportation services through bus and commuter rail subsidiaries.

NJ TRANSIT also contracts with several motor bus carriers for certain transportation services; under these contracts, NJ TRANSIT has the right to set fares and coordinate service levels and schedules. In addition, NJ TRANSIT contracts with the National Railroad Passenger Corporation (Amtrak) for the use of Amtrak's Northeast Corridor, including the cost of maintaining right-of-way as well as propulsion costs.

New Jersey Turnpike Authority (N.J.S.A. 27:23-3)
581 Main Street, P.O. Box 5042
Woodbridge, New Jersey 07095-5042
<http://www.state.nj.us/turnpike>

The New Jersey Turnpike Authority is authorized to construct, maintain, repair, and operate turnpike projects at locations established by law. Subject to prior approval by the Governor and by either or both the State Treasurer and the Director, Division of Budget and Accounting, the Authority also may issue turnpike revenue bonds or notes that are payable solely from Authority tolls and other revenues. Effective July 9, 2003, the New Jersey Highway Authority merged and became part of the New Jersey Turnpike Authority.

New Jersey Water Supply Authority (N.J.S.A. 58:1B-4)
1851 State Route 31, P.O. Box 5196
Clinton, New Jersey 08809
<http://www.njwsa.org>

The New Jersey Water Supply Authority is authorized to acquire, finance, construct, and operate water supply systems. The Authority currently operates and maintains the Delaware and Raritan Canal Transmission Center, the Spruce Run/Round Valley Reservoirs Complex, and the Manasquan Reservoir Water Supply System. Upon the request of a municipality, county, the State, or agencies thereof, the Authority may enter into a contract to provide services for any water system project. All projects undertaken by the Authority shall conform to the recommendations of the New Jersey Statewide Water Supply Plan. Bonds of the Authority may be issued to finance these projects, and the debt service on the bonds is payable from the revenues and other funds of the Authority.

South Jersey Port Corporation (N.J.S.A. 12:11A-1)
2nd & Beckett Streets
Camden, New Jersey 08103
<http://www.southjerseyport.com>

The South Jersey Port Corporation is empowered to establish, acquire, construct, rehabilitate, improve, operate, and maintain marine terminals in the South Jersey Port District, to include Mercer, Burlington, Camden, Gloucester, Salem, Cumberland, and Cape May counties. To this end, the Corporation may issue tax-exempt revenue bonds subject to the provisions and restrictions of its Marine Terminal Bond Resolution, which mandates the distribution of funds to various Port Corporation funds.

South Jersey Transportation Authority (P.L. 1991, c.252)
Farley Service Plaza, P.O. Box 351
Hammonton, New Jersey 08037
<http://www.sjta.com>

The South Jersey Transportation Authority is authorized and empowered to acquire, construct, maintain, operate, and support transportation projects to include the Atlantic City Expressway, the Atlantic City International Airport terminal, and the parking facilities in Atlantic City. Subject to prior approval by the Governor and by either or both the State Treasurer and the Director, Division of Budget and Accounting, the Authority also may issue revenue bonds or notes, which are payable solely from Authority tolls and other revenues.

B. Colleges and Universities

Enactment of P.L. 1986, c.42 and c.43, provided autonomous status for New Jersey's nine State colleges and universities. Prior to the July 1, 1987 effective date of this legislation, revenues and expenses for these public institutions of higher education were included in the General Fund of the State of New Jersey.

The financial statements of all twelve of the State's Senior Public institutions of higher education (three Public Research universities and the aforementioned nine State colleges and universities) have been prepared in accordance with GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. Due to the significance of their operational or financial relationships and fiscal dependency with the State, these component units are included in the State's reporting entity. State appropriations, tuition, federal grants, and private donations and grants provide funding for these institutions. Based upon the relative size of assets, liabilities, revenues, and expenses in relation to the total, the financial statements of these institutions have been presented discretely in either the major or non-major categories in both the Statement of Net Assets and the Statement of Activities. In addition, pursuant to GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the financial statements of all twelve institutions include financial activities related to their foundations and other similar organizations.

Separately issued independent audited financial statements and accompanying notes may be obtained directly from the State's Senior Public institutions of higher education at the following addresses and websites:

The College of New Jersey
(N.J.S.A. 18A:62-1)
2000 Pennington Road
Ewing, New Jersey 08628
<http://www.tcnj.edu>

The Richard Stockton College of New Jersey
(N.J.S.A. 18A:62-1)
P.O. Box 195
Pomona, New Jersey 08420
<http://www.stockton.edu>

Kean University
(N.J.S.A. 18A:62-1)
1000 Morris Avenue
Union, New Jersey 07083
<http://www.kean.edu>

Rowan University
(N.J.S.A. 18A:62-1)
201 Mullica Hill Road
Glassboro, New Jersey 08028
<http://www.rowan.edu>

Montclair State University
(N.J.S.A. 18A:62-1)
One Normal Avenue
Upper Montclair, New Jersey 07043
<http://www.montclair.edu>

Rutgers, The State University of New Jersey
(N.J.S.A. 18A:65-12)
65 Davidson Road
Piscataway, New Jersey 08854
<http://www.rutgers.edu>

New Jersey City University
(N.J.S.A. 18A:62-1)
2039 Kennedy Boulevard
Jersey City, New Jersey 07305-1597
<http://www.njcu.edu>

Thomas Edison State College
(N.J.S.A. 18A:62-1)
101 West State Street
Trenton, New Jersey 08608
<http://www.tesc.edu>

New Jersey Institute of Technology
(N.J.S.A. 18A:64E-4)
323 Dr. Martin Luther King Jr. Boulevard
Newark, New Jersey 07102
<http://www.njit.edu>

University of Medicine and Dentistry of New Jersey
(N.J.S.A. 18A:64G-4)
335 George Street, 4th Floor
New Brunswick, New Jersey 08903
<http://www.umdnj.edu>

Ramapo College of New Jersey
(N.J.S.A. 18A:62-1)
505 Ramapo Valley Road
Mahwah, New Jersey 07430
<http://www.ramapo.edu>

William Paterson University of New Jersey
(N.J.S.A. 18A:62-1)
358 Hamburg Turnpike
Wayne, New Jersey 07470
<http://www.wpunj.edu>

NOTE 19 - CONTINGENT LIABILITIES

General Fund

At any given time, there are various numbers of tort, contract, and other claims and cases pending against the State, State agencies, and employees, seeking recovery of monetary damages. The claims filed can represent significant amounts and include, but are not limited to, issues regarding pensions and education funding. The majority of these claims have historically proven to be substantially less value than originally claimed. The State does not formally estimate its reserve representing potential exposure for these claims and cases. As of June 30, 2011, the exact amount involved in these legal proceedings is not fully determinable.

Unapplied overpayments of Corporate Business Tax are recorded when a final determination is made as to the ultimate disposition of the overpayment. These overpayments only become a liability based upon a taxpayer filing a request for the refund. As of June 30, 2011 there was approximately \$400.0 million of overpayments.

New Jersey Lawyers' Fund for Client Protection

Claims of approximately \$18.0 million have been filed against this Fund by individuals and companies seeking reimbursement for losses resulting from the alleged dishonest conduct by members of the Bar of the State of New Jersey. Under present rules

and regulations of the Fund, the total maximum amount that may be awarded from this Fund is \$6.4 million. The ultimate disposition of these claims is not determinable at this time.

New Jersey Spill Compensation Fund

Various claims totaling approximately \$46.0 million have been filed against this Fund by third parties for damages caused by spills. In addition, there are a number of similar claims for unspecified dollar amounts which are pending. The ultimate disposition of these claims is not determinable at this time.

Property Tax Relief Fund

Unapplied overpayments of Gross Income Tax are recorded when a final determination is made as to the ultimate disposition of the overpayment. These overpayments only become a liability based upon a taxpayer filing a request for the refund. As of June 30, 2011 there were approximately \$873.0 million of overpayments.

Sanitary Landfill Facility Contingency Fund

Various claims totaling approximately \$16.8 million have been filed against this Fund by individuals, local municipalities, and school districts. In addition, there are a number of similar claims for unspecified dollar amounts which are pending. The ultimate disposition of these claims is not determinable at this time.

Tobacco Settlement Financing Corporation, Inc.

In 2006 through 2010 certain of the tobacco companies withheld a portion of their annual payment claiming that the settling states, of which the State is one, did not diligently enforce a statute (the "Model Statute") in 2003 through 2006 which requires tobacco companies that did not enter into the settlement to make certain payments for in-state tobacco product sales. In the event that the State is determined to not have diligently enforced the Model Statute in any year, the State faces a reduction in the amount of annual payments it receives in the subsequent years. In July 2010, the participating manufacturers filed a Statement of Claim before an arbitration panel regarding the 2003 non-participating manufacturers (NPM) adjustment. From January 2011 through June 30, 2011, the parties to the 2003 NPM adjustment arbitration have engaged in discovery, including document production and depositions and discovery is continuing. While New Jersey believes it has meritorious defenses to any claim by participating manufacturers for a 2003 NPM adjustment, it could stand to lose between \$35 million and \$185 million. For 2004 through 2010, New Jersey's Master Settlement Agreement (MSA) payments are at risk, with a potential liability of between \$200.0 million and \$1.8 billion if it is found to not have diligently enforced its Model Statute. Ultimately, New Jersey expects to be able to prove that it diligently enforced its Model Statute.

University of Medicine and Dentistry of New Jersey – Self Insurance Reserve Fund

The State has the ultimate liability for tort and malpractice claims in excess of the resources of the Fund.

Capital Projects Funds

Due to delays in construction and design problems, various claims for damages have been filed with respect to the Special Transportation Fund in the amount of \$15.6 million. Fund management is presently evaluating the claims. There has been no determination as to the ultimate amount for which this Fund will be liable.

Federal Programs

Under the terms of various grant awards, expenditures from Federal funds are subject to audit. As of June 30, 2011, audits of expenditures for Fiscal Year 2010 and prior years may not be completed. Disallowances which may result from these audits are not determinable at this time. As of June 30, 2011, it is management's opinion that disallowances, if any, would not be material.

NOTE 20 – SUBSEQUENT EVENTS

Short-term Debt

For Fiscal Year 2012, the State, under a resolution executed by the Treasurer on July 1, 2011, authorized the issuance of Tax and Revenue Anticipation Notes (TRAN). The TRAN are short-term obligations to be used to provide effective cash flow management to fund the imbalances that occur in the collection of revenues and the disbursement of appropriations. On September 1, 2011 the State issued \$600 million of TRAN with a final maturity of June 21, 2012 through a private placement. The State issued an additional \$1.1 billion of TRAN on October 28, 2011, also maturing on June 21, 2012 through a private placement. These notes shall bear interest from their date of issuance through maturity or earlier redemption by the State at a fluctuating rate per annum equal to the adjusted Securities Industry and Financial Markets Association (SIFMA) rate plus a spread. On December 15, 2011, the State issued \$2.15 billion of TRAN that bear an interest rate of 2.0 percent per annum. These notes mature on June 21, 2012. Part of the proceeds from these notes were used to refund and retire the \$1.7 billion of TRAN issued under private placements on September 1, 2011 and October 28, 2011.

The State may also issue additional TRAN in Fiscal Year 2012.

Long-term Obligations

On August 9, 2011, the New Jersey Economic Development Authority issued \$8.6 million of installment obligation bonds through a private placement. Interest on the bonds is fixed and payable semi-annually on June 15 and December 15, commencing on December 15, 2011. Final maturity on the bonds is June 15, 2023.

On August 31, 2011, the New Jersey Sports and Exposition Authority issued \$86.9 million of refunding bonds. Interest on the 2011 Series A and B is fixed and payable semi-annually on March 1 and September 1, commencing on March 1, 2012. The final maturity of the bonds is March 1, 2025.

On November 22, 2011, the New Jersey Building Authority issued \$54.4 million of refunding bonds. Interest on the 2011 Series A is fixed and payable semi-annually on June 15 and December 15, commencing on June 15, 2012. The final maturity of the bonds is June 15, 2016.

On December 1, 2011, the New Jersey Transportation Trust Fund Authority issued \$1.3 billion of revenue bonds. Interest on the 2011 Series B is fixed and payable semi-annually on June 15 and December 15, commencing on June 15, 2012. The final maturity of the bonds is June 15, 2042.

On December 15, 2011, the New Jersey Transportation Trust Fund Authority remarketed \$297.5 million of bonds.

Component Unit – New Jersey Transit Corporation

The Access to the Region's Core (ARC) Tunnel Project was cancelled at the Governor's direction due to concerns over projected cost overruns in excess of the project budget of \$8.7 billion. Upon cancellation of the project, the Federal Transit Administration (FTA), which had funded a portion of the cost of this project, demanded repayment of \$271.1 million of federal funds that had been expended. On September 30, 2011, a settlement was agreed upon whereby NJ TRANSIT is liable to repay \$95 million in five annual payments of \$19 million. NJ TRANSIT has recorded this liability as of June 30, 2011 in the Consolidated Statement of Fund Net Assets, and a corresponding "Special Item" in the Consolidated Statement of Revenues, Expenses and Changes in Fund Net Assets. The first \$19 million is recorded as a current liability, and the balance of \$76 million has been recorded as a non-current liability.

Historic Sites of New Jersey

Boxwood Hall
1073 East Jersey Street, Elizabeth, N.J. 07201
(908) 282-7617

Built around 1750, Boxwood Hall was the residence of Elias Boudinot, president of the Continental Congress that ratified the Peace Treaty with Great Britain. After the Constitution was ratified, he served as a U.S. Representative from 1789 to 1795 and then served as the Director of the United States Mint.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/historic/index.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

*Required
Supplementary
Information*

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR JUNE 30, 2011**

	<u>General Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 13,853,612,000	\$ 14,133,197,000	\$ 13,635,771,166	\$ (497,425,834)
Federal and other grants	12,684,013,457	12,889,140,858	10,821,375,280	(2,067,765,578)
Licenses and fees	1,126,657,081	1,159,083,417	1,185,278,354	26,194,937
Services and assessments	2,107,066,326	2,080,156,144	1,660,637,467	(419,518,677)
Investment earnings	11,000	3,299,549	5,993,385	2,693,836
Contributions	1,000	1,000	2,110	1,110
Other	3,072,394,255	3,089,461,687	1,933,131,893	(1,156,329,794)
Total Revenues	<u>32,843,755,119</u>	<u>33,354,339,655</u>	<u>29,242,189,655</u>	<u>(4,112,150,000)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	<u>2,568,894,000</u>	<u>3,134,785,397</u>	<u>2,620,365,568</u>	<u>(514,419,829)</u>
Total Other Financing Sources	<u>2,568,894,000</u>	<u>3,134,785,397</u>	<u>2,620,365,568</u>	<u>(514,419,829)</u>
Total Revenues and Other Financing Sources	<u>35,412,649,119</u>	<u>36,489,125,052</u>	<u>31,862,555,223</u>	<u>(4,626,569,829)</u>
EXPENDITURES				
Public safety and criminal justice	3,801,359,897	3,894,617,332	3,192,870,405	701,746,927
Physical and mental health	11,921,132,398	12,352,227,454	11,032,004,938	1,320,222,516
Educational, cultural, and intellectual development	5,142,117,971	5,178,980,029	4,740,057,289	438,922,740
Community development and environmental management	1,945,748,052	2,001,281,289	1,255,551,958	745,729,331
Economic planning, development, and security	4,958,141,297	5,080,392,548	4,373,921,099	706,471,449
Transportation programs	415,540,701	463,240,022	420,708,036	42,531,986
Government direction, management, and control	5,848,448,275	6,020,746,942	5,371,335,202	649,411,740
Special government services	463,082,901	478,550,809	348,906,676	129,644,133
Total Expenditures	<u>34,495,571,492</u>	<u>35,470,036,425</u>	<u>30,735,355,603</u>	<u>4,734,680,822</u>
OTHER FINANCING USES				
Transfers to other funds	<u>1,120,404,627</u>	<u>1,120,404,627</u>	<u>1,120,404,627</u>	<u>-</u>
Total Other Financing Uses	<u>1,120,404,627</u>	<u>1,120,404,627</u>	<u>1,120,404,627</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>35,615,976,119</u>	<u>36,590,441,052</u>	<u>31,855,760,230</u>	<u>4,734,680,822</u>
Net Change in Fund Balance	(203,327,000)	(101,316,000)	6,794,993	108,110,993
Fund Balances - July 1, 2010	<u>504,642,000</u>	<u>794,265,603</u>	<u>794,265,603</u>	<u>-</u>
Fund Balances - June 30, 2011	<u>\$ 301,315,000</u>	<u>\$ 692,949,603</u>	<u>\$ 801,060,596</u>	<u>\$ 108,110,993</u>

Property Tax Relief Fund

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
\$ 10,144,553,613	\$ 10,821,576,613	\$ 11,233,777,661	\$ 412,201,048
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>10,144,553,613</u>	<u>10,821,576,613</u>	<u>11,233,777,661</u>	<u>412,201,048</u>
-	-	-	-
-	-	-	-
<u>10,144,553,613</u>	<u>10,821,576,613</u>	<u>11,233,777,661</u>	<u>412,201,048</u>
-	-	-	-
-	123,676,979	135,827,988	(12,151,009)
9,322,191,701	9,320,386,007	9,672,631,828	(352,245,821)
264,805,890	241,116,673	264,592,785	(23,476,112)
-	27,023,042	29,678,000	(2,654,958)
-	-	-	-
557,556,022	651,661,912	711,206,194	(59,544,282)
-	-	-	-
<u>10,144,553,613</u>	<u>10,363,864,613</u>	<u>10,813,936,795</u>	<u>(450,072,182)</u>
-	467,712,000	-	467,712,000
-	467,712,000	-	467,712,000
<u>10,144,553,613</u>	<u>10,831,576,613</u>	<u>10,813,936,795</u>	<u>17,639,818</u>
-	(10,000,000)	419,840,866	429,840,866
-	10,000,050	10,000,050	-
<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 429,840,916</u>	<u>\$ 429,840,866</u>

(Continued on next page)

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR JUNE 30, 2011**

	Total Major Governmental Funds			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ 23,998,165,613	\$ 24,954,773,613	\$ 24,869,548,827	\$ (85,224,786)
Federal and other grants	12,684,013,457	12,889,140,858	10,821,375,280	(2,067,765,578)
Licenses and fees	1,126,657,081	1,159,083,417	1,185,278,354	26,194,937
Services and assessments	2,107,066,326	2,080,156,144	1,660,637,467	(419,518,677)
Investment earnings	11,000	3,299,549	5,993,385	2,693,836
Contributions	1,000	1,000	2,110	1,110
Other	3,072,394,255	3,089,461,687	1,933,131,893	(1,156,329,794)
Total Revenues	<u>42,988,308,732</u>	<u>44,175,916,268</u>	<u>40,475,967,316</u>	<u>(3,699,948,952)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	2,568,894,000	3,134,785,397	2,620,365,568	(514,419,829)
Total Other Financing Sources	<u>2,568,894,000</u>	<u>3,134,785,397</u>	<u>2,620,365,568</u>	<u>(514,419,829)</u>
Total Revenues and Other Financing Sources	<u>45,557,202,732</u>	<u>47,310,701,665</u>	<u>43,096,332,884</u>	<u>(4,214,368,781)</u>
EXPENDITURES				
Public safety and criminal justice	3,801,359,897	3,894,617,332	3,192,870,405	701,746,927
Physical and mental health	11,921,132,398	12,475,904,433	11,167,832,926	1,308,071,507
Educational, cultural, and intellectual development	14,464,309,672	14,499,366,036	14,412,689,117	86,676,919
Community development and environmental management	2,210,553,942	2,242,397,962	1,520,144,743	722,253,219
Economic planning, development, and security	4,958,141,297	5,107,415,590	4,403,599,099	703,816,491
Transportation programs	415,540,701	463,240,022	420,708,036	42,531,986
Government direction, management, and control	6,406,004,297	6,672,408,854	6,082,541,396	589,867,458
Special government services	463,082,901	478,550,809	348,906,676	129,644,133
Total Expenditures	<u>44,640,125,105</u>	<u>45,833,901,038</u>	<u>41,549,292,398</u>	<u>4,284,608,640</u>
OTHER FINANCING USES				
Transfers to other funds	1,120,404,627	1,588,116,627	1,120,404,627	467,712,000
Total Other Financing Uses	<u>1,120,404,627</u>	<u>1,588,116,627</u>	<u>1,120,404,627</u>	<u>467,712,000</u>
Total Expenditures and Other Financing Uses	<u>45,760,529,732</u>	<u>47,422,017,665</u>	<u>42,669,697,025</u>	<u>4,752,320,640</u>
Net Change in Fund Balance	(203,327,000)	(111,316,000)	426,635,859	537,951,859
Fund Balances - July 1, 2010	504,642,000	804,265,653	804,265,653	-
Fund Balances - June 30, 2011	<u>\$ 301,315,000</u>	<u>\$ 692,949,653</u>	<u>\$ 1,230,901,512</u>	<u>\$ 537,951,859</u>

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION - MAJOR FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Explanation of differences between budgetary inflows and outflows
and GAAP revenues and expenditures**

	General Fund	Property Tax Relief Fund
Sources/inflows of resources:		
Total revenues and other financing sources - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,862,555,223	\$ 11,233,777,661
Differences - budget to GAAP:		
Receipt of federal food stamp coupons is not a budgetary resource but is revenue for financial reporting purposes (GASB 24).	1,172,052,619	-
Federal revenue related to encumbrances is a budgetary resource but is not earned on a GAAP basis.	(295,366,802)	-
Proceeds and premiums from the sale of school construction bonds by the Economic Development Authority are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	2,583,629,795	-
Proceeds and premiums from the sale of installment obligation bonds including refundings are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	367,905,131	-
Total revenues and other financing sources as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 35,690,775,966	\$ 11,233,777,661
GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds reconciliation:		
Total revenues	\$ 30,118,875,470	
Transfers from other funds	2,620,365,567	
Other sources	2,951,534,929	
Total revenues and other financing sources	\$ 35,690,775,966	

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION - MAJOR FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Explanation of differences between budgetary inflows and outflows
and GAAP revenues and expenditures**

	General Fund	Property Tax Relief Fund
Uses/outflows of resources:		
Total expenditures and other financing uses - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,855,760,230	\$ 10,813,936,795
Differences - budget to GAAP:		
Encumbrances for items ordered but not received are reported in the year the resources are encumbered for budgetary purposes, but in the year the items are received for financial reporting purposes.	(1,470,573,232)	-
Expenditures in prior budget fiscal year accounts are reported in the year the resources are encumbered for budgetary purposes, but in the year the funds are disbursed for financial reporting purposes.	1,037,143,448	927,714
Miscellaneous accruals are not outflows of budgetary resources but are expenditures for financial reporting purposes.	33,029,620	-
Distribution of federal food stamp coupons is not a budgetary outflow but is an expenditure for financial reporting purposes (GASB 24).	1,172,052,619	-
School construction bonds proceeds distributed to the New Jersey Schools Development Authority are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	2,583,629,795	-
Additions to other debt are not budgetary outflows but are expenditures and other financing uses for financial reporting purposes.	367,905,131	-
Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 35,578,947,611	\$ 10,814,864,509
GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds reconciliation:		
Total expenditures	\$ 31,585,327,144	
Transfers to other funds	1,123,795,909	
Other uses	2,869,824,558	
Total expenditures and other financing uses	\$ 35,578,947,611	

STATE OF NEW JERSEY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Process

The Appropriations Act provides annual departmental budgets for the General Fund and certain special revenue funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief Funds). The State Legislature enacts the Appropriations Act through passage of specific departmental appropriations, the sum of which may not exceed estimated resources. It is a constitutional requirement that the Budget be balanced. The Governor certifies the revenues. Before signing the Appropriations Act, the Governor may veto or reduce any specific appropriation, subject to State Legislative override. Once passed and signed, the Appropriations Act becomes the State's financial plan for the coming fiscal year. Spending authority contained in the Appropriations Act may be revised by supplemental appropriations approved by both the State Legislature and the Governor. Expenditures are presented on the accompanying budgetary basis financial statements by statewide program classifications, not by the legal level of budgetary control. Detail at the departmental level is presented on the accompanying Schedules of Appropriations and Expenditures.

For the General Fund and budgeted special revenue funds, budgetary control (legal control) is maintained within the department (as indicated on the organization chart shown in the Transmittal Letter) at the appropriation line item level. Program classifications represent a lower level, operating program function, consisting of closely related activities with identifiable objectives or goals. Program classification examples include Water Supply Management, Forestry Management, Shellfish and Marine Fisheries Management, in the Department of Environmental Protection. Revisions to the Appropriations Act during the fiscal year may be effected with certain executive and legislative branch approvals. In accordance with the "General Provisions" section of the Appropriations Act, the Executive Branch may amend the budget within a department with the approval of the Director of the Division of Budget and Accounting. Under specific conditions, additional approval by the Office of Legislative Services is required. Only the State Legislature, however, may transfer appropriations between departments. Transfers within a department are permitted within certain guidelines and Executive Branch approval.

Appropriations are authorized for expenditure during the fiscal year and for a period of one month thereafter, and unencumbered appropriations lapse at the end of the fiscal year, unless otherwise specified by the Appropriations Act.

The State's budgetary basis of accounting differs from that utilized to present fund financial statements in conformance with generally accepted accounting principles (GAAP). The main differences between the budgetary basis and the GAAP basis used to present fund financial statements, are that under the budgetary basis encumbrances are recognized as expenditures, the federal revenue related to such encumbrances is also recognized, and the budgetary basis reflects transactions only for the current fiscal year. In addition, under the GAAP basis in the fund financial statements, certain grants and other financial assistance are required to be recorded as revenues and expenditures.

The Budgetary Comparison Schedule displays the undesignated-unreserved fund balance for the original budget, final budget, and actual amounts (budgetary basis). The beginning fund balance for the original budget is estimated as of July 1 while the beginning fund balance for the final budget and actual amount columns represent actual amounts.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
PENSION TRUST FUNDS AND HEALTH BENEFITS PROGRAM FUND

Plan/Actuarial Valuation	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
OPEB - State						
June 30, 2008	-	55,913,500,000	55,913,500,000	-	20,180,200,000	277.1%
June 30, 2009	-	56,782,500,000	56,782,500,000	-	20,794,400,000	273.1%
June 30, 2010	-	59,281,900,000	59,281,900,000	-	20,870,000,000	284.1%
PERS - State						
June 30, 2008	11,200,668,671	17,072,702,680	5,872,034,009	65.6%	4,609,019,779	127.4%
June 30, 2009	10,692,585,100	18,947,194,579	8,254,609,479	56.4%	4,627,092,235	178.4%
June 30, 2010	10,252,640,127	17,429,178,021	7,176,537,894	58.8%	4,564,850,886	157.2%
PERS - Local						
June 30, 2008	18,217,749,414	23,173,183,973	4,955,434,559	78.6%	7,206,781,046	68.8%
June 30, 2009	18,165,648,669	25,523,208,576	7,357,559,907	71.2%	7,368,354,906	99.9%
June 30, 2010	18,481,952,370	23,918,658,044	5,436,705,674	77.3%	7,416,503,897	73.3%
TPAF						
June 30, 2008	36,664,627,629	51,754,814,521	15,090,186,892	70.8%	9,419,083,203	160.2%
June 30, 2009	34,838,211,259	54,576,061,024	19,737,849,765	63.8%	9,747,020,060	202.5%
June 30, 2010	33,265,326,627	49,543,347,849	16,278,021,222	67.1%	10,025,401,658	162.4%
PFRS - State						
June 30, 2008	2,316,017,361	3,749,118,910	1,433,101,549	61.8%	527,495,741	271.7%
June 30, 2009	2,254,766,935	3,993,259,480	1,738,492,545	56.5%	525,862,047	330.6%
June 30, 2010	2,190,654,958	3,672,361,258	1,481,706,300	59.7%	530,747,536	279.2%
PFRS - Local						
June 30, 2008	20,437,541,909	26,871,106,532	6,433,564,623	76.1%	3,068,758,436	209.6%
June 30, 2009	20,724,453,343	28,448,841,765	7,724,388,422	72.8%	3,147,812,476	245.4%
June 30, 2010	20,367,865,987	25,601,998,126	5,234,132,139	79.6%	3,189,786,833	164.1%
SPRS						
June 30, 2008	2,127,263,509	2,609,164,869	481,901,360	81.5%	281,087,566	171.4%
June 30, 2009	2,063,962,877	2,825,455,568	761,492,691	73.0%	287,267,502	265.1%
June 30, 2010	2,019,350,048	2,497,094,137	477,744,089	80.9%	289,980,657	164.8%
JRS						
June 30, 2008	380,964,713	553,284,647	172,319,934	68.9%	67,159,516	256.6%
June 30, 2009	354,399,646	594,043,375	239,643,729	59.7%	70,133,372	341.7%
June 30, 2010	329,030,387	554,540,403	225,510,016	59.3%	71,746,413	314.3%
CPFPPF						
June 30, 2008	15,705,984	17,319,488	1,613,504	90.7%	-	N/A
June 30, 2009	13,515,949	14,024,132	508,183	96.4%	-	N/A
June 30, 2010	10,632,228	11,824,904	1,192,676	89.9%	-	N/A
POPF						
June 30, 2008	12,890,441	6,789,017	(6,101,424)	189.9%	-	N/A
June 30, 2009	11,986,919	6,136,441	(5,850,478)	195.3%	-	N/A
June 30, 2010	11,018,367	5,635,024	(5,383,343)	195.5%	-	N/A

Note: Fiscal Year Pension Actuarial Reports, prepared as of July 1, are available at <http://www.state.nj.us/treasury/pensions/actuarial-rpts.htm>.

Combining
Financial Statements

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2011**

	<u>General Fund</u>	<u>Beaches and Harbor Fund</u>	<u>2007 Blue Acres Fund</u>
ASSETS			
Cash and cash equivalents	\$ 30,287,641	\$ 297,240	\$ -
Investments	1,657,854,518	1,058,316	8,183,409
Receivables, net of allowances for uncollectibles			
Federal government	671,217,496	-	-
Departmental accounts	1,617,295,791	-	-
Loans	23,977,021	-	-
Other	188,798,503	-	-
Due from other funds	1,041,032,669	-	-
Other	4,993,856	-	-
Total Assets	<u>\$ 5,235,457,495</u>	<u>\$ 1,355,556</u>	<u>\$ 8,183,409</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 1,445,643,136	\$ -	\$ 119,937
Deferred revenue	401,246,235	-	-
Due to other funds	500,130,315	3,203	-
Other	156,427,715	-	-
Total Liabilities	<u>2,503,447,401</u>	<u>3,203</u>	<u>119,937</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	84,030,275	1,352,353	8,063,472
Committed	1,783,854,952	-	-
Unassigned	864,124,867	-	-
Total Fund Balances	<u>2,732,010,094</u>	<u>1,352,353</u>	<u>8,063,472</u>
Total Liabilities and Fund Balances	<u>\$ 5,235,457,495</u>	<u>\$ 1,355,556</u>	<u>\$ 8,183,409</u>

<u>Clean Waters Fund</u>	<u>Cultural Centers and Historic Preservation Fund</u>	<u>2003 Dam, Lake and Stream Project Revolving Loan Fund</u>	<u>2003 Dam, Lake, Stream and Flood Control Project Fund</u>
\$ 77,829	\$ 9,249	\$ 2,669,674	\$ 264,844
76,408	72,103	39,157,979	16,664,633
-	-	-	-
-	-	-	-
-	-	39,202,957	-
-	30,000	234,180	-
-	-	17,641	-
-	-	-	-
<u>\$ 154,237</u>	<u>\$ 111,352</u>	<u>\$ 81,282,431</u>	<u>\$ 16,929,477</u>
\$ -	\$ -	\$ -	\$ 437,125
-	-	-	-
1,022	100,218	-	54,633
-	-	-	-
<u>1,022</u>	<u>100,218</u>	<u>-</u>	<u>491,758</u>
-	-	-	-
153,215	11,134	81,282,431	16,437,719
-	-	-	-
-	-	-	-
<u>153,215</u>	<u>11,134</u>	<u>81,282,431</u>	<u>16,437,719</u>
<u>\$ 154,237</u>	<u>\$ 111,352</u>	<u>\$ 81,282,431</u>	<u>\$ 16,929,477</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>1992 Dam Restoration Clean Waters Trust Fund</u>	<u>1989 Development Potential Bank Transfer Fund</u>	<u>Developmental Disabilities Waiting List Reduction Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,705,351	\$ 34,153	\$ 381,909
Investments	9,222,053	7,862,073	4,193,895
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	5,957,847	-	-
Other	34,112	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 17,919,363</u>	<u>\$ 7,896,226</u>	<u>\$ 4,575,804</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 200,000	\$ -
Deferred revenue	-	-	-
Due to other funds	-	36,836	14,503
Other	-	-	-
Total Liabilities	<u>-</u>	<u>236,836</u>	<u>14,503</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	17,919,363	7,659,390	4,561,301
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>17,919,363</u>	<u>7,659,390</u>	<u>4,561,301</u>
Total Liabilities and Fund Balances	<u>\$ 17,919,363</u>	<u>\$ 7,896,226</u>	<u>\$ 4,575,804</u>

<u>Dredging and Containment Facility Fund</u>	<u>1996 Economic Development Site Fund</u>	<u>Emergency Flood Control Fund</u>	<u>Emergency Services Fund</u>
\$ 24,962	\$ 5,569	\$ 127,787	\$ 18,460
1,947,450	7,811	226,142	5,696,942
-	-	-	-
-	-	-	-
-	1,723,901	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 1,972,412</u>	<u>\$ 1,737,281</u>	<u>\$ 353,929</u>	<u>\$ 5,715,402</u>
\$ -	\$ -	\$ -	\$ 127
-	-	-	-
687,358	-	685	-
-	-	-	-
<u>687,358</u>	<u>-</u>	<u>685</u>	<u>127</u>
-	-	-	-
1,285,054	1,737,281	353,244	-
-	-	-	5,715,275
-	-	-	-
<u>1,285,054</u>	<u>1,737,281</u>	<u>353,244</u>	<u>5,715,275</u>
<u>\$ 1,972,412</u>	<u>\$ 1,737,281</u>	<u>\$ 353,929</u>	<u>\$ 5,715,402</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	1996 Environmental Cleanup Fund	1989 Farmland Preservation Fund	1992 Farmland Preservation Fund
ASSETS			
Cash and cash equivalents	\$ 26,227	\$ 8,998	\$ 57,357
Investments	1,963,063	55,575	452,093
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 1,989,290</u>	<u>\$ 64,573</u>	<u>\$ 509,450</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 368,062	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>368,062</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	1,621,228	64,573	509,450
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>1,621,228</u>	<u>64,573</u>	<u>509,450</u>
Total Liabilities and Fund Balances	<u>\$ 1,989,290</u>	<u>\$ 64,573</u>	<u>\$ 509,450</u>

<u>1995 Farmland Preservation Fund</u>	<u>2007 Farmland Preservation Fund</u>	<u>2007 Green Acres Fund</u>	<u>Green Trust Fund</u>
\$ 192,942	\$ 657,099	\$ -	\$ 994,330
2,875,836	38,238,118	48,827,672	35,801,514
-	-	-	-
-	-	-	-
-	-	-	36,868,898
-	-	-	163,286
-	-	-	-
-	-	-	-
<u>\$ 3,068,778</u>	<u>\$ 38,895,217</u>	<u>\$ 48,827,672</u>	<u>\$ 73,828,028</u>
\$ 40,096	\$ -	\$ 74,622	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
<u>40,096</u>	<u>-</u>	<u>74,622</u>	<u>-</u>
-	-	-	-
3,028,682	38,895,217	48,753,050	73,828,028
-	-	-	-
-	-	-	-
<u>3,028,682</u>	<u>38,895,217</u>	<u>48,753,050</u>	<u>73,828,028</u>
<u>\$ 3,068,778</u>	<u>\$ 38,895,217</u>	<u>\$ 48,827,672</u>	<u>\$ 73,828,028</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>Hazardous Discharge Fund of 1981</u>	<u>Hazardous Discharge Fund of 1986</u>	<u>Higher Education Facility Renovation and Rehabilitation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 710	\$ 1,145,130	\$ 16,353
Investments	180,786	18,872,298	121,060
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	20,919	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 181,496</u>	<u>\$ 20,038,347</u>	<u>\$ 137,413</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 16,242	\$ -
Deferred revenue	-	-	-
Due to other funds	547	-	-
Other	-	-	-
Total Liabilities	<u>547</u>	<u>16,242</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	180,949	20,022,105	137,413
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>180,949</u>	<u>20,022,105</u>	<u>137,413</u>
Total Liabilities and Fund Balances	<u>\$ 181,496</u>	<u>\$ 20,038,347</u>	<u>\$ 137,413</u>

<u>1992 Historic Preservation Fund</u>	<u>1995 Historic Preservation Fund</u>	<u>2007 Historic Preservation Fund</u>	<u>Historic Preservation Revolving Loan Fund</u>
\$ 258,738	\$ 35,487	\$ 294,174	\$ 462,541
145,503	93,821	840,601	4,103,968
-	-	-	-
-	-	-	-
-	-	-	40,819
-	-	-	408
-	-	-	-
-	-	-	-
<u>\$ 404,241</u>	<u>\$ 129,308</u>	<u>\$ 1,134,775</u>	<u>\$ 4,607,736</u>
\$ 45,188	\$ 5,704	\$ 125,774	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
<u>45,188</u>	<u>5,704</u>	<u>125,774</u>	<u>-</u>
-	-	-	-
359,053	123,604	1,009,001	4,607,736
-	-	-	-
-	-	-	-
<u>359,053</u>	<u>123,604</u>	<u>1,009,001</u>	<u>4,607,736</u>
<u>\$ 404,241</u>	<u>\$ 129,308</u>	<u>\$ 1,134,775</u>	<u>\$ 4,607,736</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>Housing Assistance Fund</u>	<u>Jobs, Education and Competitiveness Fund</u>	<u>Judiciary Superior Court - Miscellaneous Fund</u>
ASSETS			
Cash and cash equivalents	\$ 631,964	\$ 138,037	\$ 283,005
Investments	4,123,194	472,806	1,496,510
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	1,290,309	-	-
Other	1,359	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 6,046,826</u>	<u>\$ 610,843</u>	<u>\$ 1,779,515</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ 1,770,767
Deferred revenue	-	-	-
Due to other funds	13,842	1,432	8,748
Other	-	-	-
Total Liabilities	<u>13,842</u>	<u>1,432</u>	<u>1,779,515</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	6,032,984	609,411	-
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>6,032,984</u>	<u>609,411</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 6,046,826</u>	<u>\$ 610,843</u>	<u>\$ 1,779,515</u>

<u>1996 Lake Restoration Fund</u>	<u>Long Term Obligation and Capital Expenditure Fund</u>	<u>Mortgage Assistance Fund</u>	<u>Natural Resources Fund</u>
\$ 334,691	\$ -	\$ 197,341	\$ 17,837
1,052,194	-	1,750,390	1,612,571
-	-	-	-
-	-	-	-
731,411	-	13,422,853	-
3,755	-	846,269	-
-	6,024,428	-	-
-	-	-	-
<u>\$ 2,122,051</u>	<u>\$ 6,024,428</u>	<u>\$ 16,216,853</u>	<u>\$ 1,630,408</u>
\$ -	\$ -	\$ -	\$ 24,546
-	-	-	-
-	-	851,976	5,571
-	-	-	-
<u>-</u>	<u>-</u>	<u>851,976</u>	<u>30,117</u>
-	-	-	-
2,122,051	-	15,364,877	1,600,291
-	6,024,428	-	-
-	-	-	-
<u>2,122,051</u>	<u>6,024,428</u>	<u>15,364,877</u>	<u>1,600,291</u>
<u>\$ 2,122,051</u>	<u>\$ 6,024,428</u>	<u>\$ 16,216,853</u>	<u>\$ 1,630,408</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>	<u>New Jersey Cultural Trust Fund</u>	<u>New Jersey Federal-State Rural Rehabilitation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 468,450	\$ 2,092,058	\$ 362
Investments	2,251,432	22,904,652	697,935
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	652,365	-	-
Other	4,077	20,290	-
Due from other funds	-	4,002	-
Other	-	-	-
Total Assets	<u>\$ 3,376,324</u>	<u>\$ 25,021,002</u>	<u>\$ 698,297</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	4,000,000	-
Other	-	-	-
Total Liabilities	<u>-</u>	<u>4,000,000</u>	<u>-</u>
Fund Balances			
Nonspendable	-	20,000,000	-
Restricted	3,376,324	-	-
Committed	-	1,021,002	698,297
Unassigned	-	-	-
Total Fund Balances	<u>3,376,324</u>	<u>21,021,002</u>	<u>698,297</u>
Total Liabilities and Fund Balances	<u>\$ 3,376,324</u>	<u>\$ 25,021,002</u>	<u>\$ 698,297</u>

<u>1989 New Jersey Green Acres Fund</u>	<u>1992 New Jersey Green Acres Fund</u>	<u>1995 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Trust Fund</u>
\$ 11,609	\$ 467,705	\$ 91,029	\$ 2,782,334
3,475,092	820,642	4,152,418	36,118,055
-	-	-	-
-	-	-	-
-	-	-	28,392,007
-	-	-	165,364
-	-	-	-
-	-	-	-
<u>\$ 3,486,701</u>	<u>\$ 1,288,347</u>	<u>\$ 4,243,447</u>	<u>\$ 67,457,760</u>
\$ 2,163	\$ -	\$ 5,389	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
<u>2,163</u>	<u>-</u>	<u>5,389</u>	<u>-</u>
-	-	-	-
3,484,538	1,288,347	4,238,058	67,457,760
-	-	-	-
-	-	-	-
<u>3,484,538</u>	<u>1,288,347</u>	<u>4,238,058</u>	<u>67,457,760</u>
<u>\$ 3,486,701</u>	<u>\$ 1,288,347</u>	<u>\$ 4,243,447</u>	<u>\$ 67,457,760</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>1992 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Inland Blue Acres Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,397,789	\$ 1,845,176	\$ 1,147
Investments	16,245,611	12,673,682	2,987
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	22,751,796	36,676,201	-
Other	116,235	216,189	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 41,511,431</u>	<u>\$ 51,411,248</u>	<u>\$ 4,134</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	41,511,431	51,411,248	4,134
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>41,511,431</u>	<u>51,411,248</u>	<u>4,134</u>
Total Liabilities and Fund Balances	<u>\$ 41,511,431</u>	<u>\$ 51,411,248</u>	<u>\$ 4,134</u>

<u>New Jersey Local Development Financing Fund</u>	<u>Pinelands Infrastructure Trust Fund</u>	<u>Remediation Guarantee Fund</u>	<u>Resource Recovery and Solid Waste Disposal Facility Fund</u>	<u>Shore Protection Fund</u>
\$ -	\$ 90,153	\$ 745,744	\$ 33,533	\$ 100,000
26,448,419	11,027,820	5,101,647	633,561	10,383,072
-	-	-	-	-
-	-	-	-	-
24,315,969	1,066,977	-	-	-
45,290	12,337	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 50,809,678</u>	<u>\$ 12,197,287</u>	<u>\$ 5,847,391</u>	<u>\$ 667,094</u>	<u>\$ 10,483,072</u>
\$ 37,500	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	40,288
-	-	-	-	-
<u>37,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,288</u>
-	-	-	-	-
50,772,178	12,197,287	5,847,391	667,094	10,442,784
-	-	-	-	-
-	-	-	-	-
<u>50,772,178</u>	<u>12,197,287</u>	<u>5,847,391</u>	<u>667,094</u>	<u>10,442,784</u>
<u>\$ 50,809,678</u>	<u>\$ 12,197,287</u>	<u>\$ 5,847,391</u>	<u>\$ 667,094</u>	<u>\$ 10,483,072</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>State Land Acquisition and Development Fund</u>	<u>State of New Jersey Tischler Memorial Fund</u>	<u>Stormwater Management and Combined Sewer Overflow Abatement Fund</u>
ASSETS			
Cash and cash equivalents	\$ 36,277	\$ 106,802	\$ 65,955
Investments	566,662	698,413	2,709,831
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 602,939</u>	<u>\$ 805,215</u>	<u>\$ 2,775,786</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	1,717	-	-
Other	-	-	-
Total Liabilities	<u>1,717</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	419,760	-
Restricted	601,222	-	2,775,786
Committed	-	385,455	-
Unassigned	-	-	-
Total Fund Balances	<u>601,222</u>	<u>805,215</u>	<u>2,775,786</u>
Total Liabilities and Fund Balances	<u>\$ 602,939</u>	<u>\$ 805,215</u>	<u>\$ 2,775,786</u>

<u>Unclaimed Personal Property Trust Fund</u>	<u>Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund</u>	<u>1992 Wastewater Treatment Fund</u>	<u>Water Conservation Fund</u>	<u>2003 Water Resources and Wastewater Treatment Fund</u>
\$ 2,000,947	\$ 1,245,191	\$ 1,328,571	\$ 87,938	\$ 402,369
217,668,820	10,882,205	23,437,412	705,771	25,607,064
-	-	-	-	-
-	-	-	-	-
-	9,851,564	18,540,418	-	13,261,473
-	-	-	-	-
68,181,771	-	-	-	-
-	-	-	-	-
<u>\$ 287,851,538</u>	<u>\$ 21,978,960</u>	<u>\$ 43,306,401</u>	<u>\$ 793,709</u>	<u>\$ 39,270,906</u>

\$ 114,096,046	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
74,586,480	-	-	2,136	-
-	-	-	-	-
<u>188,682,526</u>	<u>-</u>	<u>-</u>	<u>2,136</u>	<u>-</u>

-	-	-	-	-
-	21,978,960	43,306,401	791,573	39,270,906
99,169,012	-	-	-	-
-	-	-	-	-
<u>99,169,012</u>	<u>21,978,960</u>	<u>43,306,401</u>	<u>791,573</u>	<u>39,270,906</u>
<u>\$ 287,851,538</u>	<u>\$ 21,978,960</u>	<u>\$ 43,306,401</u>	<u>\$ 793,709</u>	<u>\$ 39,270,906</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
GENERAL FUND (Continued)
JUNE 30, 2011**

	<u>Water Supply Fund</u>	<u>Eliminations</u>	<u>Total General Fund</u>
ASSETS			
Cash and cash equivalents	\$ 517,672	\$ -	\$ 59,576,440
Investments	83,846,039	-	2,434,362,547
Receivables, net of allowances for uncollectibles			
Federal government	-	-	671,217,496
Departmental accounts	-	-	1,617,316,710
Loans	100,723,125	-	379,447,911
Other	49,391	-	190,741,045
Due from other funds	-	(90,832,887)	1,024,427,624
Other	-	-	4,993,856
Total Assets	<u>\$ 185,136,227</u>	<u>\$ (90,832,887)</u>	<u>\$ 6,382,083,629</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ 1,563,012,424
Deferred revenue	-	-	401,246,235
Due to other funds	4,375,621	(90,832,887)	494,084,244
Other	-	-	156,427,715
Total Liabilities	<u>4,375,621</u>	<u>(90,832,887)</u>	<u>2,614,770,618</u>
Fund Balances			
Nonspendable	-	-	20,419,760
Restricted	180,760,606	-	985,899,963
Committed	-	-	1,896,868,421
Unassigned	-	-	864,124,867
Total Fund Balances	<u>180,760,606</u>	<u>-</u>	<u>3,767,313,011</u>
Total Liabilities and Fund Balances	<u>\$ 185,136,227</u>	<u>\$ (90,832,887)</u>	<u>\$ 6,382,083,629</u>

Historic Sites of New Jersey

Clarke House, Princeton Battlefield State Park
500 Mercer Road, Princeton, N.J. 08540
(609) 921-0074

On January 3, 1777, the peaceful winter fields and woods of Princeton Battlefield were transformed into what is considered to be the fiercest fight of its size during the American Revolution. During this desperate battle, American troops under General George Washington surprised and defeated a force of British Regulars. Coming at the end of "The Ten Crucial Days" which included the well-known night crossing of the Delaware River and two battles in Trenton, the Battle of Princeton gave Washington his first victory against the British Regulars on the field. The battle extended over a mile away to the College of New Jersey (renamed later to Princeton University). Built by Thomas Clarke in 1772, the Clarke House witnessed the fierce fighting and served as sanctuary for General Mercer, who died there nine days later. The house contains period furniture and Revolutionary War exhibits.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/princeton.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>General Fund</u>	<u>Beaches and Harbor Fund</u>	<u>2007 Blue Acres Fund</u>
REVENUES			
Taxes	\$ 13,635,771,165	\$ -	\$ -
Federal and other grants	11,698,061,097	-	-
Licenses and fees	1,185,278,354	-	-
Services and assessments	1,660,637,465	-	-
Investment earnings	5,993,385	3,203	25,630
Contributions	2,110	-	-
Other	1,933,131,894	-	-
Total Revenues	<u>30,118,875,470</u>	<u>3,203</u>	<u>25,630</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	3,164,804,980	-	-
Physical and mental health	11,009,795,145	-	-
Educational, cultural, and intellectual development	4,385,534,198	-	-
Community development and environmental management	1,260,611,474	-	1,643,239
Economic planning, development, and security	5,565,120,330	-	-
Transportation programs	463,705,677	-	-
Government direction, management, and control	5,183,410,514	-	359,751
Special government services	350,243,649	-	-
Capital Outlay	81,710,372	-	-
Debt Service:			
Principal	23,355,000	-	-
Interest	97,035,805	-	-
Total Expenditures	<u>31,585,327,144</u>	<u>-</u>	<u>2,002,990</u>
Excess (deficiency) of revenues over expenditures	<u>(1,466,451,674)</u>	<u>3,203</u>	<u>(1,977,360)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	2,620,365,567	-	-
Transfers to other funds	(1,123,795,909)	(3,203)	-
Other sources	2,951,534,929	-	-
Other uses	(2,869,824,558)	-	-
Total other financing sources (uses)	<u>1,578,280,029</u>	<u>(3,203)</u>	<u>-</u>
Net Change in Fund Balance	111,828,355	-	(1,977,360)
Fund Balances - July 1, 2010	<u>2,620,181,739</u>	<u>1,352,353</u>	<u>10,040,832</u>
Fund Balances - June 30, 2011	<u>\$ 2,732,010,094</u>	<u>\$ 1,352,353</u>	<u>\$ 8,063,472</u>

<u>Clean Waters Fund</u>	<u>Cultural Centers and Historic Preservation Fund</u>	<u>2003 Dam, Lake and Stream Project Revolving Loan Fund</u>	<u>2003 Dam, Lake, Stream and Flood Control Project Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
1,022	218	129,621	54,633
-	-	-	-
-	-	762,453	-
<u>1,022</u>	<u>218</u>	<u>892,074</u>	<u>54,633</u>
-	-	-	-
-	-	-	-
-	-	-	-
320,000	-	209,605	2,565,625
-	-	-	-
-	-	-	-
31,898	-	29,982	284,802
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>351,898</u>	<u>-</u>	<u>239,587</u>	<u>2,850,427</u>
<u>(350,876)</u>	<u>218</u>	<u>652,487</u>	<u>(2,795,794)</u>
-	-	-	-
(1,022)	(218)	-	(54,633)
-	-	-	-
-	-	-	-
<u>(1,022)</u>	<u>(218)</u>	<u>-</u>	<u>(54,633)</u>
<u>(351,898)</u>	<u>-</u>	<u>652,487</u>	<u>(2,850,427)</u>
505,113	11,134	80,629,944	19,288,146
<u>\$ 153,215</u>	<u>\$ 11,134</u>	<u>\$ 81,282,431</u>	<u>\$ 16,437,719</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>1992 Dam Restoration Clean Waters Trust Fund</u>	<u>1989 Development Potential Bank Transfer Fund</u>	<u>Developmental Disabilities Waiting List Reduction Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	28,905	26,327	14,503
Contributions	-	-	-
Other	121,256	-	-
Total Revenues	<u>150,161</u>	<u>26,327</u>	<u>14,503</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	306,081
Community development and environmental management	-	1,082,000	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	356,699	292,719	-
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>356,699</u>	<u>1,374,719</u>	<u>306,081</u>
Excess (deficiency) of revenues over expenditures	<u>(206,538)</u>	<u>(1,348,392)</u>	<u>(291,578)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	-	(36,836)	(14,503)
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(36,836)</u>	<u>(14,503)</u>
Net Change in Fund Balance	<u>(206,538)</u>	<u>(1,385,228)</u>	<u>(306,081)</u>
Fund Balances - July 1, 2010	<u>18,125,901</u>	<u>9,044,618</u>	<u>4,867,382</u>
Fund Balances - June 30, 2011	<u>\$ 17,919,363</u>	<u>\$ 7,659,390</u>	<u>\$ 4,561,301</u>

<u>Dredging and Containment Facility Fund</u>	<u>1996 Economic Development Site Fund</u>	<u>Emergency Flood Control Fund</u>	<u>Emergency Services Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
43,953	4,738	685	18,366
-	-	-	-
-	-	-	-
<u>43,953</u>	<u>4,738</u>	<u>685</u>	<u>18,366</u>
-	-	-	508,732
-	-	-	-
-	-	-	-
-	-	-	719,024
-	-	-	-
20,106,397	-	-	-
74,818	1,793,000	-	-
-	-	-	31,385
-	-	-	-
-	-	-	-
-	-	-	-
<u>20,181,215</u>	<u>1,793,000</u>	<u>-</u>	<u>1,259,141</u>
<u>(20,137,262)</u>	<u>(1,788,262)</u>	<u>685</u>	<u>(1,240,775)</u>
-	-	-	-
(687,358)	-	(685)	-
-	-	-	-
-	-	-	-
<u>(687,358)</u>	<u>-</u>	<u>(685)</u>	<u>-</u>
<u>(20,824,620)</u>	<u>(1,788,262)</u>	<u>-</u>	<u>(1,240,775)</u>
22,109,674	3,525,543	353,244	6,956,050
<u>\$ 1,285,054</u>	<u>\$ 1,737,281</u>	<u>\$ 353,244</u>	<u>\$ 5,715,275</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>1996 Environmental Cleanup Fund</u>	<u>1989 Farmland Preservation Fund</u>	<u>1992 Farmland Preservation Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	7,716	168	1,454
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>7,716</u>	<u>168</u>	<u>1,454</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	1,184,862	5,759	73,274
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>1,184,862</u>	<u>5,759</u>	<u>73,274</u>
Excess (deficiency) of revenues over expenditures	<u>(1,177,146)</u>	<u>(5,591)</u>	<u>(71,820)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(1,177,146)</u>	<u>(5,591)</u>	<u>(71,820)</u>
Fund Balances - July 1, 2010	<u>2,798,374</u>	<u>70,164</u>	<u>581,270</u>
Fund Balances - June 30, 2011	<u>\$ 1,621,228</u>	<u>\$ 64,573</u>	<u>\$ 509,450</u>

<u>1995 Farmland Preservation Fund</u>	<u>2007 Farmland Preservation Fund</u>	<u>2007 Green Acres Fund</u>	<u>Green Trust Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
8,689	143,591	161,374	112,895
-	-	-	-
245,025	-	-	767,056
<u>253,714</u>	<u>143,591</u>	<u>161,374</u>	<u>879,951</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	9,838,370	7,759,431	9,315,884
-	-	-	-
-	-	-	-
-	2,188,487	1,618,881	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	12,026,857	9,378,312	9,315,884
<u>253,714</u>	<u>(11,883,266)</u>	<u>(9,216,938)</u>	<u>(8,435,933)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>253,714</u>	<u>(11,883,266)</u>	<u>(9,216,938)</u>	<u>(8,435,933)</u>
-	-	-	-
<u>2,774,968</u>	<u>50,778,483</u>	<u>57,969,988</u>	<u>82,263,961</u>
<u>\$ 3,028,682</u>	<u>\$ 38,895,217</u>	<u>\$ 48,753,050</u>	<u>\$ 73,828,028</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Hazardous Discharge Fund of 1981</u>	<u>Hazardous Discharge Fund of 1986</u>	<u>Higher Education Facility Renovation and Rehabilitation Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	547	57,077	366
Contributions	-	-	-
Other	-	1,683,446	-
Total Revenues	<u>547</u>	<u>1,740,523</u>	<u>366</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>547</u>	<u>1,740,523</u>	<u>366</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	219,576	-
Transfers to other funds	(547)	(100,000)	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(547)</u>	<u>119,576</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>1,860,099</u>	<u>366</u>
Fund Balances - July 1, 2010	<u>180,949</u>	<u>18,162,006</u>	<u>137,047</u>
Fund Balances - June 30, 2011	<u>\$ 180,949</u>	<u>\$ 20,022,105</u>	<u>\$ 137,413</u>

<u>1992 Historic Preservation Fund</u>	<u>1995 Historic Preservation Fund</u>	<u>2007 Historic Preservation Fund</u>	<u>Historic Preservation Revolving Loan Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
1,976	566	4,420	12,444
-	-	-	-
-	-	-	1,735
<u>1,976</u>	<u>566</u>	<u>4,420</u>	<u>14,179</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
400,310	139,670	1,051,453	-
-	-	-	-
-	-	59,959	15,532
-	-	-	-
-	-	-	-
-	-	-	-
<u>400,310</u>	<u>139,670</u>	<u>1,111,412</u>	<u>15,532</u>
<u>(398,334)</u>	<u>(139,104)</u>	<u>(1,106,992)</u>	<u>(1,353)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>(398,334)</u>	<u>(139,104)</u>	<u>(1,106,992)</u>	<u>(1,353)</u>
<u>757,387</u>	<u>262,708</u>	<u>2,115,993</u>	<u>4,609,089</u>
<u>\$ 359,053</u>	<u>\$ 123,604</u>	<u>\$ 1,009,001</u>	<u>\$ 4,607,736</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Housing Assistance Fund</u>	<u>Jobs, Education and Competitiveness Fund</u>	<u>1996 Lake Restoration Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	12,483	1,432	4,012
Contributions	-	-	-
Other	1,359	-	15,332
Total Revenues	<u>13,842</u>	<u>1,432</u>	<u>19,344</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	905,320	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	287,703
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>905,320</u>	<u>-</u>	<u>287,703</u>
Excess (deficiency) of revenues over expenditures	<u>(891,478)</u>	<u>1,432</u>	<u>(268,359)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	(13,842)	(1,432)	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(13,842)</u>	<u>(1,432)</u>	<u>-</u>
Net Change in Fund Balance	<u>(905,320)</u>	<u>-</u>	<u>(268,359)</u>
Fund Balances - July 1, 2010	<u>6,938,304</u>	<u>609,411</u>	<u>2,390,410</u>
Fund Balances - June 30, 2011	<u>\$ 6,032,984</u>	<u>\$ 609,411</u>	<u>\$ 2,122,051</u>

<u>Long Term Obligation and Capital Expenditure Fund</u>	<u>Mortgage Assistance Fund</u>	<u>Natural Resources Fund</u>	<u>1995 New Jersey Coastal Blue Acres Trust Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	5,708	5,571	7,399
-	-	-	-
<u>1,725,403</u>	<u>5,582,479</u>	<u>-</u>	<u>13,569</u>
<u>1,725,403</u>	<u>5,588,187</u>	<u>5,571</u>	<u>20,968</u>
147,639	-	-	-
-	-	-	-
8,413	-	-	-
-	-	443,158	-
-	-	-	-
-	-	-	-
556,881	-	-	205,958
-	-	-	-
-	-	-	-
-	-	-	-
<u>712,933</u>	<u>-</u>	<u>443,158</u>	<u>205,958</u>
<u>1,012,470</u>	<u>5,588,187</u>	<u>(437,587)</u>	<u>(184,990)</u>
-	-	-	-
(1,700,000)	(851,976)	(5,571)	-
-	-	-	-
-	-	-	-
<u>(1,700,000)</u>	<u>(851,976)</u>	<u>(5,571)</u>	<u>-</u>
<u>(687,530)</u>	<u>4,736,211</u>	<u>(443,158)</u>	<u>(184,990)</u>
<u>6,711,958</u>	<u>10,628,666</u>	<u>2,043,449</u>	<u>3,561,314</u>
<u>\$ 6,024,428</u>	<u>\$ 15,364,877</u>	<u>\$ 1,600,291</u>	<u>\$ 3,376,324</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>New Jersey Cultural Trust Fund</u>	<u>New Jersey Federal-State Rural Rehabilitation Fund</u>	<u>1989 New Jersey Green Acres Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	243,395	2,116	14,886
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>243,395</u>	<u>2,116</u>	<u>14,886</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	50,000	640,101
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	950,879	-	1,514,744
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>950,879</u>	<u>50,000</u>	<u>2,154,845</u>
Excess (deficiency) of revenues over expenditures	<u>(707,484)</u>	<u>(47,884)</u>	<u>(2,139,959)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	500,000	-	-
Transfers to other funds	(4,000,000)	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(3,500,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(4,207,484)</u>	<u>(47,884)</u>	<u>(2,139,959)</u>
Fund Balances - July 1, 2010	<u>25,228,486</u>	<u>746,181</u>	<u>5,624,497</u>
Fund Balances - June 30, 2011	<u>\$ 21,021,002</u>	<u>\$ 698,297</u>	<u>\$ 3,484,538</u>

<u>1992 New Jersey Green Acres Fund</u>	<u>1995 New Jersey Green Acres Fund</u>	<u>1989 New Jersey Green Trust Fund</u>	<u>1992 New Jersey Green Trust Fund</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
2,479	12,855	113,851	49,251
-	-	-	-
-	-	607,870	484,434
<u>2,479</u>	<u>12,855</u>	<u>721,721</u>	<u>533,685</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	229,317	3,499,380	1,244,083
-	-	-	-
-	-	2,972,903	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	229,317	6,472,283	1,244,083
<u>2,479</u>	<u>(216,462)</u>	<u>(5,750,562)</u>	<u>(710,398)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>2,479</u>	<u>(216,462)</u>	<u>(5,750,562)</u>	<u>(710,398)</u>
1,285,868	4,454,520	73,208,322	42,221,829
<u>\$ 1,288,347</u>	<u>\$ 4,238,058</u>	<u>\$ 67,457,760</u>	<u>\$ 41,511,431</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>1995 New Jersey Green Trust Fund</u>	<u>1995 New Jersey Inland Blue Acres Fund</u>	<u>New Jersey Local Development Financing Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	33,963
Services and assessments	-	-	-
Investment earnings	39,926	1,168	48,694
Contributions	-	-	-
Other	755,772	-	757,943
Total Revenues	<u>795,698</u>	<u>1,168</u>	<u>840,600</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	5,078,197	744,805	-
Economic planning, development, and security	-	-	622,088
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>5,078,197</u>	<u>744,805</u>	<u>622,088</u>
Excess (deficiency) of revenues over expenditures	<u>(4,282,499)</u>	<u>(743,637)</u>	<u>218,512</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(4,282,499)</u>	<u>(743,637)</u>	<u>218,512</u>
Fund Balances - July 1, 2010	<u>55,693,747</u>	<u>747,771</u>	<u>50,553,666</u>
Fund Balances - June 30, 2011	<u>\$ 51,411,248</u>	<u>\$ 4,134</u>	<u>\$ 50,772,178</u>

<u>Pinelands Infrastructure Trust Fund</u>	<u>Remediation Guarantee Fund</u>	<u>Resource Recovery and Solid Waste Disposal Facility Fund</u>	<u>Shore Protection Fund</u>
\$ -	\$ 4,032,953	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
31,971	2,060	1,914	32,914
-	-	-	-
54,598	-	-	-
<u>86,569</u>	<u>4,035,013</u>	<u>1,914</u>	<u>32,914</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	85,688
-	-	-	-
-	-	-	-
232,451	-	-	511,781
-	-	-	-
-	-	-	-
-	-	-	-
<u>232,451</u>	<u>-</u>	<u>-</u>	<u>597,469</u>
<u>(145,882)</u>	<u>4,035,013</u>	<u>1,914</u>	<u>(564,555)</u>
-	100,000	-	-
-	-	-	(40,288)
-	-	-	-
-	-	-	-
<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(40,288)</u>
<u>(145,882)</u>	<u>4,135,013</u>	<u>1,914</u>	<u>(604,843)</u>
12,343,169	1,712,378	665,180	11,047,627
<u>\$ 12,197,287</u>	<u>\$ 5,847,391</u>	<u>\$ 667,094</u>	<u>\$ 10,442,784</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>State Land Acquisition and Development Fund</u>	<u>State of New Jersey Tischler Memorial Fund</u>	<u>Stormwater Management and Combined Sewer Overflow Abatement Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	1,717	2,110	8,591
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>1,717</u>	<u>2,110</u>	<u>8,591</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	2,798,584
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	90,248
Special government services	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>2,888,832</u>
Excess (deficiency) of revenues over expenditures	<u>1,717</u>	<u>2,110</u>	<u>(2,880,241)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	(1,717)	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(1,717)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>2,110</u>	<u>(2,880,241)</u>
Fund Balances - July 1, 2010	<u>601,222</u>	<u>803,105</u>	<u>5,656,027</u>
Fund Balances - June 30, 2011	<u>\$ 601,222</u>	<u>\$ 805,215</u>	<u>\$ 2,775,786</u>

<u>Unclaimed Personal Property Trust Fund</u>	<u>Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund</u>	<u>1992 Wastewater Treatment Fund</u>	<u>Water Conservation Fund</u>	<u>2003 Water Resources and Wastewater Treatment Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
25,543,275	26,871	69,880	2,136	76,342
-	-	-	-	-
298,999,020	14,575	-	-	-
<u>324,542,295</u>	<u>41,446</u>	<u>69,880</u>	<u>2,136</u>	<u>76,342</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	326,507	-	359,750
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	326,507	-	359,750
<u>324,542,295</u>	<u>41,446</u>	<u>(256,627)</u>	<u>2,136</u>	<u>(283,408)</u>
-	-	-	-	-
(277,166,480)	-	-	(2,136)	-
-	-	-	-	-
-	-	-	-	-
<u>(277,166,480)</u>	<u>-</u>	<u>-</u>	<u>(2,136)</u>	<u>-</u>
47,375,815	41,446	(256,627)	-	(283,408)
51,793,197	21,937,514	43,563,028	791,573	39,554,314
<u>\$ 99,169,012</u>	<u>\$ 21,978,960</u>	<u>\$ 43,306,401</u>	<u>\$ 791,573</u>	<u>\$ 39,270,906</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Water Supply Fund</u>	<u>Eliminations</u>	<u>Total General Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ 13,639,804,118
Federal and other grants	-	-	11,698,061,097
Licenses and fees	-	-	1,185,312,317
Services and assessments	-	-	1,660,637,465
Investment earnings	249,477	-	33,472,956
Contributions	-	-	2,110
Other	274,641	-	2,245,999,860
Total Revenues	<u>524,118</u>	<u>-</u>	<u>30,463,289,923</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	3,165,461,351
Physical and mental health	-	-	11,009,795,145
Educational, cultural, and intellectual development	-	-	4,385,848,692
Community development and environmental management	4,028,205	-	1,315,075,385
Economic planning, development, and security	-	-	5,567,333,851
Transportation programs	-	-	483,812,074
Government direction, management, and control	607,279	-	5,199,134,126
Special government services	-	-	350,275,034
Capital Outlay	-	-	81,710,372
Debt Service:			
Principal	-	-	23,355,000
Interest	-	-	97,035,805
Total Expenditures	<u>4,635,484</u>	<u>-</u>	<u>31,678,836,835</u>
Excess (deficiency) of revenues over expenditures	<u>(4,111,366)</u>	<u>-</u>	<u>(1,215,546,912)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	(289,777,644)	2,331,407,499
Transfers to other funds	(4,375,621)	289,777,644	(1,123,076,333)
Other sources	-	-	2,951,534,929
Other uses	-	-	(2,869,824,558)
Total other financing sources (uses)	<u>(4,375,621)</u>	<u>-</u>	<u>1,290,041,537</u>
Net Change in Fund Balance	<u>(8,486,987)</u>	<u>-</u>	<u>74,494,625</u>
Fund Balances - July 1, 2010	<u>189,247,593</u>	<u>-</u>	<u>3,692,818,386</u>
Fund Balances - June 30, 2011	<u>\$ 180,760,606</u>	<u>\$ -</u>	<u>\$ 3,767,313,011</u>

Historic Sites of New Jersey

Craig House, Monmouth Battlefield State Park
347 Freehold-Englishtown Road, Manalapan, N.J. 07726
(732) 462-9616

During the Revolutionary War's Battle of Monmouth, this 18th-century farmhouse was the home of John and Ann Craig and their three children. The 1746 kitchen is Dutch-framed, while the two-story addition is English-framed. The barn dates from the 2nd quarter of the 19th century. In June of 1778, during one of the largest battles of the American Revolution that occurred in the fields and forests of the Monmouth Battlefield State Park, the house was used as a hospital by the British forces.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/monbat.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2011**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 107,530,952	\$ 3,954,224	\$ 111,485,176
Investments	3,472,651,237	29,162,910	3,501,814,147
Receivables, net of allowances for uncollectibles			
Federal government	-	101,467,806	101,467,806
Departmental accounts	386,439,181	10,875,825	397,315,006
Loans	1,250,390,413	5,000,000	1,255,390,413
Other	246,663,828	46,961,350	293,625,178
Due from other funds	216,221,502	213,485,882	429,707,384
Other	13,313	-	13,313
Total Assets	<u>\$ 5,679,910,426</u>	<u>\$ 410,907,997</u>	<u>\$ 6,090,818,423</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 493,902,242	\$ 136,563,368	\$ 630,465,610
Deferred revenue	159,108,407	-	159,108,407
Due to other funds	928,478,599	206,412,824	1,134,891,423
Other	51,861,386	-	51,861,386
Total Liabilities	<u>1,633,350,634</u>	<u>342,976,192</u>	<u>1,976,326,826</u>
Fund Balances			
Restricted	3,395,504,706	22,246,565	3,417,751,271
Committed	651,055,086	45,685,240	696,740,326
Total Fund Balances	<u>4,046,559,792</u>	<u>67,931,805</u>	<u>4,114,491,597</u>
Total Liabilities and Fund Balances	<u>\$ 5,679,910,426</u>	<u>\$ 410,907,997</u>	<u>\$ 6,090,818,423</u>

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
REVENUES			
Taxes	\$ 1,681,557,347	\$ -	\$ 1,681,557,347
Federal and other grants	264,273,582	819,393,503	1,083,667,085
Licenses and fees	111,104,265	-	111,104,265
Services and assessments	1,131,633,538	297,775	1,131,931,313
Investment earnings	17,301,770	204,780	17,506,550
Contributions	87,571	-	87,571
Other	365,047,174	494,817	365,541,991
Total Revenues	<u>3,571,005,247</u>	<u>820,390,875</u>	<u>4,391,396,122</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	85,836,502	15,851,206	101,687,708
Physical and mental health	261,856,106	3,350	261,859,456
Educational, cultural, and intellectual development	255,118,067	26,739	255,144,806
Community development and environmental management	187,128,563	-	187,128,563
Economic planning, development, and security	1,176,432,699	45,679	1,176,478,378
Transportation programs	83,809,329	2,351,996,285	2,435,805,614
Government direction, management, and control	259,336,236	4,558	259,340,794
Special government services	187,784	-	187,784
Debt Service:			
Principal	399,945,000	-	399,945,000
Interest	737,657,030	-	737,657,030
Total Expenditures	<u>3,447,307,316</u>	<u>2,367,927,817</u>	<u>5,815,235,133</u>
Excess (deficiency) of revenues over expenditures	<u>123,697,931</u>	<u>(1,547,536,942)</u>	<u>(1,423,839,011)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	1,600,000,000	-	1,600,000,000
Transfers from other funds	1,622,643,816	1,531,052,425	3,153,696,241
Transfers to other funds	(2,910,475,524)	(69,484)	(2,910,545,008)
Other sources	577,062,400	-	577,062,400
Other uses	(563,746,712)	-	(563,746,712)
Total other financing sources (uses)	<u>325,483,980</u>	<u>1,530,982,941</u>	<u>1,856,466,921</u>
Net Change in Fund Balance	449,181,911	(16,554,001)	432,627,910
Fund Balances - July 1, 2010	<u>3,597,377,881</u>	<u>84,485,806</u>	<u>3,681,863,687</u>
Fund Balances - June 30, 2011	<u>\$ 4,046,559,792</u>	<u>\$ 67,931,805</u>	<u>\$ 4,114,491,597</u>

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011**

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
ASSETS			
Cash and cash equivalents	\$ 720,448	\$ 2,504,349	\$ 3,175,998
Investments	6,144,506	98,654	604,668
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	2,606,664	503,322
Loans	-	-	-
Other	-	-	-
Due from other funds	1,833,333	-	604,292
Other	-	-	-
Total Assets	<u>\$ 8,698,287</u>	<u>\$ 5,209,667</u>	<u>\$ 4,888,280</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 4,255,970	\$ 503,322
Deferred revenue	-	-	-
Due to other funds	3,023,632	851,194	-
Other	-	-	-
Total Liabilities	<u>3,023,632</u>	<u>5,107,164</u>	<u>503,322</u>
Fund Balances			
Restricted	-	-	-
Committed	5,674,655	102,503	4,384,958
Total Fund Balances	<u>5,674,655</u>	<u>102,503</u>	<u>4,384,958</u>
Total Liabilities and Fund Balances	<u>\$ 8,698,287</u>	<u>\$ 5,209,667</u>	<u>\$ 4,888,280</u>

<u>Atlantic City Tourism Promotion Fund</u>	<u>Board of Bar Examiners</u>	<u>Boarding House Rental Assistance Fund</u>	<u>Body Armor Replacement Fund</u>
\$ 889,843	\$ 2,569	\$ 723,088	\$ 1,497,769
340,639	6,376,405	168,196	5,259,335
1,921,247	-	-	-
-	-	370,984	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 3,151,729</u>	<u>\$ 6,378,974</u>	<u>\$ 1,262,268</u>	<u>\$ 6,757,104</u>
\$ 1,691,484	\$ 1,354,305	\$ -	\$ -
-	-	-	-
604,292	-	-	436,422
-	-	-	-
<u>2,295,776</u>	<u>1,354,305</u>	<u>-</u>	<u>436,422</u>
-	5,024,669	-	-
855,953	-	1,262,268	6,320,682
<u>855,953</u>	<u>5,024,669</u>	<u>1,262,268</u>	<u>6,320,682</u>
<u>\$ 3,151,729</u>	<u>\$ 6,378,974</u>	<u>\$ 1,262,268</u>	<u>\$ 6,757,104</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Casino Control Fund</u>	<u>Casino Revenue Fund</u>	<u>Casino Simulcasting Fund</u>
ASSETS			
Cash and cash equivalents	\$ 51,001	\$ -	\$ 312,994
Investments	-	-	18,224
Receivables, net of allowances for uncollectibles			
Departmental accounts	9,063,622	33,550,094	36,265
Loans	-	-	-
Other	-	-	-
Due from other funds	6,370,598	9,594,476	-
Other	-	-	-
Total Assets	<u>\$ 15,485,221</u>	<u>\$ 43,144,570</u>	<u>\$ 367,483</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 4,039,150	\$ 13,629,640	\$ -
Deferred revenue	6,983,500	27,000	-
Due to other funds	-	-	367,483
Other	-	-	-
Total Liabilities	<u>11,022,650</u>	<u>13,656,640</u>	<u>367,483</u>
Fund Balances			
Restricted	-	-	-
Committed	4,462,571	29,487,930	-
Total Fund Balances	<u>4,462,571</u>	<u>29,487,930</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 15,485,221</u>	<u>\$ 43,144,570</u>	<u>\$ 367,483</u>

<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>	<u>Clean Communities Account Fund</u>	<u>Clean Energy Fund</u>
\$ 1,847,557	\$ 217,563	\$ 1,397,554	\$ 9,214,873
797,197	242,942	4,205,457	277,775,700
127,340	7,824,165	163,315	-
-	-	-	-
-	-	-	34,197,196
-	220,163	-	-
-	-	-	-
<u>\$ 2,772,094</u>	<u>\$ 8,504,833</u>	<u>\$ 5,766,326</u>	<u>\$ 321,187,769</u>
\$ -	\$ 26,452	\$ 53,692	\$ 50,031,747
-	-	-	-
-	6,694,018	1,757,384	53,689,104
-	-	-	-
<u>-</u>	<u>6,720,470</u>	<u>1,811,076</u>	<u>103,720,851</u>
-	1,784,363	-	-
<u>2,772,094</u>	<u>-</u>	<u>3,955,250</u>	<u>217,466,918</u>
<u>2,772,094</u>	<u>1,784,363</u>	<u>3,955,250</u>	<u>217,466,918</u>
<u>\$ 2,772,094</u>	<u>\$ 8,504,833</u>	<u>\$ 5,766,326</u>	<u>\$ 321,187,769</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Clean Water State Revolving Fund</u>	<u>Disciplinary Oversight Committee</u>	<u>Division of Motor Vehicles Surcharge Fund</u>
ASSETS			
Cash and cash equivalents	\$ 2,221,947	\$ 835,259	\$ 1,678,569
Investments	-	5,991,034	2,007,612
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	6,806,793
Loans	54,611,682	-	-
Other	-	-	-
Due from other funds	2,360,990	-	-
Other	-	-	-
Total Assets	<u>\$ 59,194,619</u>	<u>\$ 6,826,293</u>	<u>\$ 10,492,974</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 2,869,974	\$ 10,492,974
Deferred revenue	2,538,613	-	-
Due to other funds	-	-	-
Other	-	-	-
Total Liabilities	<u>2,538,613</u>	<u>2,869,974</u>	<u>10,492,974</u>
Fund Balances			
Restricted	56,656,006	3,956,319	-
Committed	-	-	-
Total Fund Balances	<u>56,656,006</u>	<u>3,956,319</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 59,194,619</u>	<u>\$ 6,826,293</u>	<u>\$ 10,492,974</u>

<u>Drinking Water State Revolving Fund</u>	<u>Emergency Medical Technician Training Fund</u>	<u>Enterprise Zone Assistance Fund</u>	<u>Fund for Support of Free Public Schools</u>
\$ 352,053	\$ 281,222	\$ 7,648,890	\$ 18,037
73,027,738	199,591	178,629,865	128,514,460
-	-	-	-
220,543,828	-	-	-
-	-	-	163,388
349,294	-	12,117,475	5,372,964
-	-	-	-
<u>\$ 294,272,913</u>	<u>\$ 480,813</u>	<u>\$ 198,396,230</u>	<u>\$ 134,068,849</u>
\$ 201,828	\$ 63,289	\$ 588,851	\$ -
349,294	-	-	-
-	156,877	30,536,524	336,926
-	-	-	-
<u>551,122</u>	<u>220,166</u>	<u>31,125,375</u>	<u>336,926</u>
293,721,791	-	-	133,731,923
-	260,647	167,270,855	-
<u>293,721,791</u>	<u>260,647</u>	<u>167,270,855</u>	<u>133,731,923</u>
<u>\$ 294,272,913</u>	<u>\$ 480,813</u>	<u>\$ 198,396,230</u>	<u>\$ 134,068,849</u>

(Continued on the next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Garden State Farmland Preservation Trust Fund</u>	<u>Garden State Green Acres Preservation Trust Fund</u>	<u>Garden State Historic Preservation Trust Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,131,679	\$ 1,108,604	\$ 604,214
Investments	86,879,674	123,806,742	15,948,311
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	-
Loans	-	55,179,809	-
Other	-	289,259	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 88,011,353</u>	<u>\$ 180,384,414</u>	<u>\$ 16,552,525</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 606,790	\$ 18,945	\$ 67,563
Deferred revenue	-	-	-
Due to other funds	2,634,269	4,943,465	529,475
Other	-	-	-
Total Liabilities	<u>3,241,059</u>	<u>4,962,410</u>	<u>597,038</u>
Fund Balances			
Restricted	84,770,294	175,422,004	15,955,487
Committed	-	-	-
Total Fund Balances	<u>84,770,294</u>	<u>175,422,004</u>	<u>15,955,487</u>
Total Liabilities and Fund Balances	<u>\$ 88,011,353</u>	<u>\$ 180,384,414</u>	<u>\$ 16,552,525</u>

<u>Global Warming Solutions Fund</u>	<u>Gubernatorial Elections Fund</u>	<u>Hazardous Discharge Site Cleanup Fund</u>	<u>Health Care Subsidy Fund</u>
\$ 3,064,367	\$ -	\$ 835,525	\$ 20,625,633
29,058,883	-	166,419,836	118,845,462
-	-	3,930,821	8,079,536
-	-	-	-
-	-	8,000,000	-
-	481,311	141,504	85,340,755
-	-	-	-
<u>\$ 32,123,250</u>	<u>\$ 481,311</u>	<u>\$ 179,327,686</u>	<u>\$ 232,891,386</u>
\$ -	\$ -	\$ 217,469	\$ -
-	-	-	-
28,790,850	-	32,409,832	219,441,407
-	-	-	-
<u>28,790,850</u>	<u>-</u>	<u>32,627,301</u>	<u>219,441,407</u>
-	-	146,700,385	-
<u>3,332,400</u>	<u>481,311</u>	<u>-</u>	<u>13,449,979</u>
<u>3,332,400</u>	<u>481,311</u>	<u>146,700,385</u>	<u>13,449,979</u>
<u>\$ 32,123,250</u>	<u>\$ 481,311</u>	<u>\$ 179,327,686</u>	<u>\$ 232,891,386</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Horse Racing Injury Compensation Fund</u>	<u>Lead Hazard Control Assistance Fund</u>	<u>Luxury Tax Fund</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 379,003	\$ 5,346
Investments	1,230,994	3,227,161	229,772
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	5,589,043
Loans	-	8,460,190	-
Other	-	150,520	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 1,230,994</u>	<u>\$ 12,216,874</u>	<u>\$ 5,824,161</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 311,603	\$ 174,850	\$ 5,589,043
Deferred revenue	-	-	-
Due to other funds	-	947,398	-
Other	-	-	-
Total Liabilities	<u>311,603</u>	<u>1,122,248</u>	<u>5,589,043</u>
Fund Balances			
Restricted	-	-	-
Committed	919,391	11,094,626	235,118
Total Fund Balances	<u>919,391</u>	<u>11,094,626</u>	<u>235,118</u>
Total Liabilities and Fund Balances	<u>\$ 1,230,994</u>	<u>\$ 12,216,874</u>	<u>\$ 5,824,161</u>

<u>Municipal Landfill Closure and Remediation Fund</u>	<u>New Home Warranty Security Fund</u>	<u>New Jersey Building Authority</u>	<u>New Jersey Lawyers' Assistance Program</u>
\$ 68,135	\$ 1,802,259	\$ 13,653,515	\$ 4,323
-	11,835,886	32,940,932	1,617,495
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 68,135</u>	<u>\$ 13,638,145</u>	<u>\$ 46,594,447</u>	<u>\$ 1,621,818</u>
\$ -	\$ 5,683	\$ 17,466,656	\$ 184,955
-	-	-	-
-	5,503,083	-	-
-	-	4,968,267	-
<u>-</u>	<u>5,508,766</u>	<u>22,434,923</u>	<u>184,955</u>
-	-	24,159,524	1,436,863
<u>68,135</u>	<u>8,129,379</u>	<u>-</u>	<u>-</u>
<u>68,135</u>	<u>8,129,379</u>	<u>24,159,524</u>	<u>1,436,863</u>
<u>\$ 68,135</u>	<u>\$ 13,638,145</u>	<u>\$ 46,594,447</u>	<u>\$ 1,621,818</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>New Jersey Lawyers' Fund for Client Protection</u>	<u>New Jersey Racing Industry Special Fund</u>	<u>New Jersey Schools Development Authority</u>
ASSETS			
Cash and cash equivalents	\$ 2,267,651	\$ 2,547,081	\$ 1,449,480
Investments	19,863,577	1,874,183	570,177,615
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	1,273,390	-
Loans	-	-	-
Other	75,018	-	1,047,557
Due from other funds	-	-	-
Other	13,313	-	-
Total Assets	<u>\$ 22,219,559</u>	<u>\$ 5,694,654</u>	<u>\$ 572,674,652</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 360,001	\$ -	\$ 87,089,175
Deferred revenue	-	-	-
Due to other funds	-	-	-
Other	-	-	12,644,238
Total Liabilities	<u>360,001</u>	<u>-</u>	<u>99,733,413</u>
Fund Balances			
Restricted	21,859,558	-	472,941,239
Committed	-	5,694,654	-
Total Fund Balances	<u>21,859,558</u>	<u>5,694,654</u>	<u>472,941,239</u>
Total Liabilities and Fund Balances	<u>\$ 22,219,559</u>	<u>\$ 5,694,654</u>	<u>\$ 572,674,652</u>

<u>New Jersey Spill Compensation Fund</u>	<u>New Jersey Spinal Cord Research Fund</u>	<u>New Jersey Transportation Trust Fund Authority</u>	<u>New Jersey Workforce Development Partnership Fund</u>
\$ 1,746,090	\$ 75,761	\$ -	\$ -
18,943,803	10,051,028	244,902,359	104,061,557
-	-	-	28,455,055
-	-	-	-
7,578,772	-	-	-
-	3,908,973	43,537,059	3,322,000
-	-	-	-
<u>\$ 28,268,665</u>	<u>\$ 14,035,762</u>	<u>\$ 288,439,418</u>	<u>\$ 135,838,612</u>
\$ 124,141	\$ 7,500	\$ -	\$ 2,310,163
-	-	-	-
21,352,182	154,173	213,485,882	82,923,008
-	-	109,193	14,327
<u>21,476,323</u>	<u>161,673</u>	<u>213,595,075</u>	<u>85,247,498</u>
-	-	74,844,343	50,591,114
<u>6,792,342</u>	<u>13,874,089</u>	<u>-</u>	<u>-</u>
<u>6,792,342</u>	<u>13,874,089</u>	<u>74,844,343</u>	<u>50,591,114</u>
<u>\$ 28,268,665</u>	<u>\$ 14,035,762</u>	<u>\$ 288,439,418</u>	<u>\$ 135,838,612</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	Petroleum Overcharge Reimbursement Fund	Pollution Prevention Fund	Real Estate Guaranty Fund
ASSETS			
Cash and cash equivalents	\$ 109,309	\$ 886,874	\$ 295,923
Investments	5,045,306	258,670	1,696,495
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	1,299,258	-
Loans	1,500,000	-	-
Other	-	-	-
Due from other funds	-	58,692	54,080
Other	-	-	-
Total Assets	\$ 6,654,615	\$ 2,503,494	\$ 2,046,498
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 368,948	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	435,848	1,919,875	-
Other	-	-	-
Total Liabilities	804,796	1,919,875	-
Fund Balances			
Restricted	-	-	-
Committed	5,849,819	583,619	2,046,498
Total Fund Balances	5,849,819	583,619	2,046,498
Total Liabilities and Fund Balances	\$ 6,654,615	\$ 2,503,494	\$ 2,046,498

<u>Safe Drinking Water Fund</u>	<u>Sanitary Landfill Facility Contingency Fund</u>	<u>State Disability Benefit Fund</u>	<u>State-Owned Real Property Fund</u>	<u>State Recycling Fund</u>
\$ 2,477,676	\$ 1,509,080	\$ -	\$ 961,420	\$ 1,273,736
1,385,429	15,739,921	202,603,885	922,117	30,797,477
3,577	-	205,665,636	-	6,496,117
-	-	-	-	-
-	5,309	1,162,194	-	-
-	-	4,815,197	-	-
-	-	-	-	-
<u>\$ 3,866,682</u>	<u>\$ 17,254,310</u>	<u>\$ 414,246,912</u>	<u>\$ 1,883,537</u>	<u>\$ 38,567,330</u>

\$ -	\$ 20,269	\$ 40,602,201	\$ -	\$ 1,400
-	-	-	-	-
2,475,040	-	61,237,225	-	1,014,748
-	-	47,552	-	-
<u>2,475,040</u>	<u>20,269</u>	<u>101,886,978</u>	<u>-</u>	<u>1,016,148</u>

-	-	312,359,934	-	-
<u>1,391,642</u>	<u>17,234,041</u>	<u>-</u>	<u>1,883,537</u>	<u>37,551,182</u>
<u>1,391,642</u>	<u>17,234,041</u>	<u>312,359,934</u>	<u>1,883,537</u>	<u>37,551,182</u>
<u>\$ 3,866,682</u>	<u>\$ 17,254,310</u>	<u>\$ 414,246,912</u>	<u>\$ 1,883,537</u>	<u>\$ 38,567,330</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Superior Court of New Jersey Trust Fund</u>	<u>Supplemental Workforce Fund for Basic Skills</u>	<u>Tobacco Settlement Financing Corporation</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 6,374	\$ -
Investments	232,913,993	8,459,935	293,750,000
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	8,090,607	-
Loans	-	-	-
Other	-	-	149,866,000
Due from other funds	-	230,000	-
Other	-	-	-
Total Assets	<u>\$ 232,913,993</u>	<u>\$ 16,786,916</u>	<u>\$ 443,616,000</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ 232,466,136	\$ 442,974	\$ 285,465
Deferred revenue	-	-	149,210,000
Due to other funds	-	2,325,308	35,422,535
Other	-	-	-
Total Liabilities	<u>232,466,136</u>	<u>2,768,282</u>	<u>184,918,000</u>
Fund Balances			
Restricted	447,857	14,018,634	258,698,000
Committed	-	-	-
Total Fund Balances	<u>447,857</u>	<u>14,018,634</u>	<u>258,698,000</u>
Total Liabilities and Fund Balances	<u>\$ 232,913,993</u>	<u>\$ 16,786,916</u>	<u>\$ 443,616,000</u>

<u>Tobacco Settlement Fund</u>	<u>Tourism Improvement and Development Act</u>	<u>Trial Attorney Certification Program</u>	<u>Unclaimed Child Support Trust Fund</u>
\$ 44,578	\$ 39,770	\$ 2,391	\$ 178,712
86,658	13,857	62,887	2,717,227
-	1,137,159	-	-
-	-	-	-
-	-	-	-
35,422,535	-	-	-
-	-	-	-
<u>\$ 35,553,771</u>	<u>\$ 1,190,786</u>	<u>\$ 65,278</u>	<u>\$ 2,895,939</u>
\$ -	\$ 1,012,159	\$ 43,759	\$ -
-	-	-	-
-	125,000	-	-
-	-	-	-
<u>-</u>	<u>1,137,159</u>	<u>43,759</u>	<u>-</u>
-	-	21,519	-
<u>35,553,771</u>	<u>53,627</u>	<u>-</u>	<u>2,895,939</u>
<u>35,553,771</u>	<u>53,627</u>	<u>21,519</u>	<u>2,895,939</u>
<u>\$ 35,553,771</u>	<u>\$ 1,190,786</u>	<u>\$ 65,278</u>	<u>\$ 2,895,939</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Unclaimed Utility Deposits Trust Fund</u>	<u>Unemployment Compensation Auxiliary Fund</u>	<u>Unemployment Compensation Interest Repayment Fund</u>
ASSETS			
Cash and cash equivalents	\$ 402,596	\$ 154	\$ -
Investments	6,274,524	17,189,476	-
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	-	48,937,840
Loans	-	-	-
Other	-	3,271,000	-
Due from other funds	-	-	-
Other	-	-	-
Total Assets	<u>\$ 6,677,120</u>	<u>\$ 20,460,630</u>	<u>\$ 48,937,840</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	10,580	18,416,086	-
Other	-	-	34,077,809
Total Liabilities	<u>10,580</u>	<u>18,416,086</u>	<u>34,077,809</u>
Fund Balances			
Restricted	-	-	-
Committed	6,666,540	2,044,544	14,860,031
Total Fund Balances	<u>6,666,540</u>	<u>2,044,544</u>	<u>14,860,031</u>
Total Liabilities and Fund Balances	<u>\$ 6,677,120</u>	<u>\$ 20,460,630</u>	<u>\$ 48,937,840</u>

<u>Universal Services Fund</u>	<u>University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund</u>	<u>Vietnam Veterans' Memorial Fund</u>	<u>Volunteer Emergency Service Organizations Loan Fund</u>	<u>Wastewater Treatment Fund</u>
\$ 9,623,414	\$ 374,272	\$ 5,859	\$ 554,056	\$ 1,554,701
59,861,034	2,403,493	318	2,109,241	335,890,820
-	1,653,000	-	-	-
-	-	-	766,561	908,957,359
40,857,615	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 110,342,063</u>	<u>\$ 4,430,765</u>	<u>\$ 6,177</u>	<u>\$ 3,429,858</u>	<u>\$ 1,246,402,880</u>
\$ 13,897,022	\$ 424,694	\$ -	\$ -	\$ -
-	-	-	-	-
89,871,091	-	-	-	-
-	-	-	-	-
<u>103,768,113</u>	<u>424,694</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	1,246,402,880
<u>6,573,950</u>	<u>4,006,071</u>	<u>6,177</u>	<u>3,429,858</u>	<u>-</u>
<u>6,573,950</u>	<u>4,006,071</u>	<u>6,177</u>	<u>3,429,858</u>	<u>1,246,402,880</u>
<u>\$ 110,342,063</u>	<u>\$ 4,430,765</u>	<u>\$ 6,177</u>	<u>\$ 3,429,858</u>	<u>\$ 1,246,402,880</u>

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STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2011

	<u>Water Supply Replacement Trust Fund</u>	<u>Worker and Community Right to Know Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
ASSETS			
Cash and cash equivalents	\$ 950	\$ 268,858	\$ 107,530,952
Investments	74,582	76,399	3,472,651,237
Receivables, net of allowances for uncollectibles			
Departmental accounts	-	3,225,315	386,439,181
Loans	-	-	1,250,390,413
Other	-	-	246,663,828
Due from other funds	-	85,811	216,221,502
Other	-	-	13,313
Total Assets	<u>\$ 75,532</u>	<u>\$ 3,656,383</u>	<u>\$ 5,679,910,426</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ 493,902,242
Deferred revenue	-	-	159,108,407
Due to other funds	-	3,656,383	928,478,599
Other	-	-	51,861,386
Total Liabilities	<u>-</u>	<u>3,656,383</u>	<u>1,633,350,634</u>
Fund Balances			
Restricted	-	-	3,395,504,706
Committed	75,532	-	651,055,086
Total Fund Balances	<u>75,532</u>	<u>-</u>	<u>4,046,559,792</u>
Total Liabilities and Fund Balances	<u>\$ 75,532</u>	<u>\$ 3,656,383</u>	<u>\$ 5,679,910,426</u>

Historic Sites of New Jersey

**Double Trouble Village, Double Trouble State Park
Administered by Island Beach State Park
Seaside Park, N.J. 08752
(732) 793-0506**

Located on the eastern edge of the New Jersey Pine Barrens, Double Trouble Village provides a window into the Pine Barrens industry. Its natural resources are characterized by thousands of acres of undisturbed woodlands and the pristine waters of Cedar Creek. This area has served as a focal point of human activity since the time of the native Lenape people.

Today Double Trouble Village preserves some of the early industries that have shaped the landscape of the Pine Barrens while preserving its unique natural beauty. Fourteen original historic structures dating from the late 19th century through the early 20th century include a general store, a schoolhouse and cottages. The sawmill was restored in 1995, and the cranberry sorting and packing house were restored in 1996.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/double.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Alcohol Education, Rehabilitation and Enforcement Fund</u>	<u>Atlantic City Parking Fees Fund</u>	<u>Atlantic City Projects-Room Fund</u>
REVENUES			
Taxes	\$ 11,000,000	\$ 24,203,185	\$ 19,210,430
Federal and other grants	-	-	-
Licenses and fees	2,067,350	-	-
Services and assessments	-	-	-
Investment earnings	18,713	309	8,275
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>13,086,063</u>	<u>24,203,494</u>	<u>19,218,705</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	1,653,234	-	-
Physical and mental health	8,780,978	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	24,244,135	17,818,997
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>10,434,212</u>	<u>24,244,135</u>	<u>17,818,997</u>
Excess (deficiency) of revenues over expenditures	<u>2,651,851</u>	<u>(40,641)</u>	<u>1,399,708</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(2,471,476)	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(2,471,476)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>180,375</u>	<u>(40,641)</u>	<u>1,399,708</u>
Fund Balances - July 1, 2010	<u>5,494,280</u>	<u>143,144</u>	<u>2,985,250</u>
Fund Balances - June 30, 2011	<u>\$ 5,674,655</u>	<u>\$ 102,503</u>	<u>\$ 4,384,958</u>

<u>Atlantic City Tourism Promotion Fund</u>	<u>Board of Bar Examiners</u>	<u>Boarding House Rental Assistance Fund</u>	<u>Body Armor Replacement Fund</u>
\$ 7,684,777	\$ -	\$ -	\$ -
-	-	-	-
-	2,878,977	-	-
-	-	-	-
3,887	15,170	508	12,440
-	-	-	-
-	71,110	393,978	4,012,987
<u>7,688,664</u>	<u>2,965,257</u>	<u>394,486</u>	<u>4,025,427</u>
-	2,895,393	-	2,881,156
-	-	-	-
-	-	-	-
-	-	-	-
10,186,993	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>10,186,993</u>	<u>2,895,393</u>	<u>-</u>	<u>2,881,156</u>
<u>(2,498,329)</u>	<u>69,864</u>	<u>394,486</u>	<u>1,144,271</u>
-	-	-	-
-	-	-	-
-	-	-	(436,423)
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(436,423)</u>
<u>(2,498,329)</u>	<u>69,864</u>	<u>394,486</u>	<u>707,848</u>
<u>3,354,282</u>	<u>4,954,805</u>	<u>867,782</u>	<u>5,612,834</u>
<u>\$ 855,953</u>	<u>\$ 5,024,669</u>	<u>\$ 1,262,268</u>	<u>\$ 6,320,682</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	Capital City Redevelopment Loan and Grant Fund	Casino Control Fund	Casino Revenue Fund
REVENUES			
Taxes	\$ -	\$ -	\$ 265,842,493
Federal and other grants	-	-	-
Licenses and fees	-	60,786,904	-
Services and assessments	-	-	-
Investment earnings	1,697	17,702	-
Contributions	-	-	-
Other	314	-	42,671,702
Total Revenues	<u>2,011</u>	<u>60,804,606</u>	<u>308,514,195</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	39,498,111	-
Physical and mental health	-	-	248,603,579
Educational, cultural, and intellectual development	-	-	32,516,000
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	2,196,000
Transportation programs	-	-	45,354,972
Government direction, management, and control	943,292	21,186,308	-
Special government services	-	-	92,000
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>943,292</u>	<u>60,684,419</u>	<u>328,762,551</u>
Excess (deficiency) of revenues over expenditures	<u>(941,281)</u>	<u>120,187</u>	<u>(20,248,356)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	3,758,765
Transfers to other funds	(240,000)	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(240,000)</u>	<u>-</u>	<u>3,758,765</u>
Net Change in Fund Balance	<u>(1,181,281)</u>	<u>120,187</u>	<u>(16,489,591)</u>
Fund Balances - July 1, 2010	<u>1,181,281</u>	<u>4,342,384</u>	<u>45,977,521</u>
Fund Balances - June 30, 2011	<u>\$ -</u>	<u>\$ 4,462,571</u>	<u>\$ 29,487,930</u>

<u>Casino Simulcasting Fund</u>	<u>Casino Simulcasting Special Fund</u>	<u>Catastrophic Illness in Children Relief Fund</u>	<u>Clean Communities Account Fund</u>
\$ -	\$ -	\$ -	\$ 18,258,091
-	-	-	-
-	-	-	-
-	-	8,045,294	-
55	7,750	2,903	14,353
-	-	-	-
367,428	3,706,396	-	-
<u>367,483</u>	<u>3,714,146</u>	<u>8,048,197</u>	<u>18,272,444</u>
-	3,960,609	-	-
-	-	68,180	-
-	-	-	-
-	-	-	17,948,838
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	3,960,609	68,180	17,948,838
<u>367,483</u>	<u>(246,463)</u>	<u>7,980,017</u>	<u>323,606</u>
-	-	-	-
-	-	-	-
(367,483)	-	(6,694,018)	-
-	-	-	-
-	-	-	-
<u>(367,483)</u>	<u>-</u>	<u>(6,694,018)</u>	<u>-</u>
-	(246,463)	1,285,999	323,606
-	3,018,557	498,364	3,631,644
<u>\$ -</u>	<u>\$ 2,772,094</u>	<u>\$ 1,784,363</u>	<u>\$ 3,955,250</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Clean Energy Fund</u>	<u>Clean Water State Revolving Fund</u>	<u>Disciplinary Oversight Committee</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	27,610,375	108,272,457	-
Licenses and fees	-	-	10,688,749
Services and assessments	275,197,119	-	-
Investment earnings	652,396	-	26,877
Contributions	-	-	-
Other	32,548	-	492,916
Total Revenues	<u>303,492,438</u>	<u>108,272,457</u>	<u>11,208,542</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	10,378,299
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	64,366,380	-
Economic planning, development, and security	226,174,120	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>226,174,120</u>	<u>64,366,380</u>	<u>10,378,299</u>
Excess (deficiency) of revenues over expenditures	<u>77,318,318</u>	<u>43,906,077</u>	<u>830,243</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(53,689,104)	(1,406,102)	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(53,689,104)</u>	<u>(1,406,102)</u>	<u>-</u>
Net Change in Fund Balance	23,629,214	42,499,975	830,243
Fund Balances - July 1, 2010	<u>193,837,704</u>	<u>14,156,031</u>	<u>3,126,076</u>
Fund Balances - June 30, 2011	<u>\$ 217,466,918</u>	<u>\$ 56,656,006</u>	<u>\$ 3,956,319</u>

Division of Motor Vehicles Surcharge Fund	Drinking Water State Revolving Fund	Emergency Medical Technician Training Fund	Enterprise Zone Assistance Fund
\$ -	\$ -	\$ -	\$ 91,923,511
-	51,921,804	-	-
-	-	-	500
159,323,952	-	2,207,960	-
376	198,895	702	608,492
-	-	-	-
-	-	-	51,422
<u>159,324,328</u>	<u>52,120,699</u>	<u>2,208,662</u>	<u>92,583,925</u>
-	-	-	-
-	-	2,070,747	-
-	-	-	-
-	15,821,314	-	5,076,496
-	-	-	63,759,442
-	-	-	-
159,324,328	-	-	-
-	-	-	-
-	-	-	-
<u>159,324,328</u>	<u>15,821,314</u>	<u>2,070,747</u>	<u>68,835,938</u>
-	36,299,385	137,915	23,747,987
-	-	-	-
-	-	-	-
-	(4,334,739)	(156,879)	(92,445,987)
-	-	-	-
-	-	-	-
<u>-</u>	<u>(4,334,739)</u>	<u>(156,879)</u>	<u>(92,445,987)</u>
-	31,964,646	(18,964)	(68,698,000)
-	261,757,145	279,611	235,968,855
<u>\$ -</u>	<u>\$ 293,721,791</u>	<u>\$ 260,647</u>	<u>\$ 167,270,855</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Fund for Support of Free Public Schools</u>	<u>Garden State Farmland Preservation Trust Fund</u>	<u>Garden State Green Acres Preservation Trust Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	5,566,754
Licenses and fees	11,506,052	-	-
Services and assessments	-	-	-
Investment earnings	301,980	329,272	422,234
Contributions	-	-	-
Other	-	6,216,139	1,077,087
Total Revenues	<u>11,808,032</u>	<u>6,545,411</u>	<u>7,066,075</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	38,639,298
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>38,639,298</u>
Excess (deficiency) of revenues over expenditures	<u>11,808,032</u>	<u>6,545,411</u>	<u>(31,573,223)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(6,470,014)	(2,615,269)	(4,943,465)
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(6,470,014)</u>	<u>(2,615,269)</u>	<u>(4,943,465)</u>
Net Change in Fund Balance	<u>5,338,018</u>	<u>3,930,142</u>	<u>(36,516,688)</u>
Fund Balances - July 1, 2010	<u>128,393,905</u>	<u>80,840,152</u>	<u>211,938,692</u>
Fund Balances - June 30, 2011	<u>\$ 133,731,923</u>	<u>\$ 84,770,294</u>	<u>\$ 175,422,004</u>

<u>Garden State Historic Preservation Trust Fund</u>	<u>Garden State Preservation Trust</u>	<u>Global Warming Solutions Fund</u>	<u>Gubernatorial Elections Fund</u>	<u>Hazardous Discharge Site Cleanup Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,103,641
-	-	-	-	-
-	-	-	-	-
-	-	-	-	55,384,397
57,224	-	47,318	-	465,911
-	-	-	-	-
-	-	32,254,394	482,439	-
<u>57,224</u>	<u>-</u>	<u>32,301,712</u>	<u>482,439</u>	<u>58,953,949</u>
-	-	-	1,128	-
-	-	-	-	-
-	-	-	-	-
-	-	455,519	-	14,622,231
4,259,649	-	135,328	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	42,215,000	-	-	-
-	55,775,158	-	-	-
<u>4,259,649</u>	<u>97,990,158</u>	<u>590,847</u>	<u>1,128</u>	<u>14,622,231</u>
<u>(4,202,425)</u>	<u>(97,990,158)</u>	<u>31,710,865</u>	<u>481,311</u>	<u>44,331,718</u>
-	-	-	-	-
-	97,990,158	-	-	370,955
(529,475)	-	(66,790,850)	-	(33,373,241)
-	-	-	-	-
-	-	-	-	-
<u>(529,475)</u>	<u>97,990,158</u>	<u>(66,790,850)</u>	<u>-</u>	<u>(33,002,286)</u>
<u>(4,731,900)</u>	<u>-</u>	<u>(35,079,985)</u>	<u>481,311</u>	<u>11,329,432</u>
<u>20,687,387</u>	<u>-</u>	<u>38,412,385</u>	<u>-</u>	<u>135,370,953</u>
<u>\$ 15,955,487</u>	<u>\$ -</u>	<u>\$ 3,332,400</u>	<u>\$ 481,311</u>	<u>\$ 146,700,385</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Health Care Subsidy Fund</u>	<u>Horse Racing Injury Compensation Fund</u>	<u>Korean Veterans' Memorial Fund</u>
REVENUES			
Taxes	\$ 429,263,333	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	243,570,294	687,065	-
Investment earnings	233,918	5,263	-
Contributions	-	-	7,331
Other	-	-	-
Total Revenues	<u>673,067,545</u>	<u>692,328</u>	<u>7,331</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	3,346,017	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	14,288
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>-</u>	<u>3,346,017</u>	<u>14,288</u>
Excess (deficiency) of revenues over expenditures	<u>673,067,545</u>	<u>(2,653,689)</u>	<u>(6,957)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	70,910,755	-	-
Transfers to other funds	(736,694,741)	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(665,783,986)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>7,283,559</u>	<u>(2,653,689)</u>	<u>(6,957)</u>
Fund Balances - July 1, 2010	<u>6,166,420</u>	<u>3,573,080</u>	<u>6,957</u>
Fund Balances - June 30, 2011	<u>\$ 13,449,979</u>	<u>\$ 919,391</u>	<u>\$ -</u>

<u>Lead Hazard Control Assistance Fund</u>	<u>Legal Services Fund</u>	<u>Luxury Tax Fund</u>	<u>Municipal Landfill Closure and Remediation Fund</u>	<u>New Home Warranty Security Fund</u>
\$ -	\$ -	\$ 31,237,764	\$ 6,220,604	\$ -
-	-	-	-	-
1,773,293	10,888,417	-	-	600,661
-	-	-	-	2,482,866
12,469	-	694	-	33,737
-	-	-	-	-
1,529	-	-	-	58,923
<u>1,787,291</u>	<u>10,888,417</u>	<u>31,238,458</u>	<u>6,220,604</u>	<u>3,176,187</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	6,220,604	1,357,737
2,872,659	-	-	-	-
-	-	-	-	-
-	-	31,234,740	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,872,659</u>	<u>-</u>	<u>31,234,740</u>	<u>6,220,604</u>	<u>1,357,737</u>
<u>(1,085,368)</u>	<u>10,888,417</u>	<u>3,718</u>	<u>-</u>	<u>1,818,450</u>
-	-	-	-	-
2,000,000	-	-	-	-
(947,398)	(10,888,417)	-	-	(10,503,083)
-	-	-	-	-
-	-	-	-	-
<u>1,052,602</u>	<u>(10,888,417)</u>	<u>-</u>	<u>-</u>	<u>(10,503,083)</u>
<u>(32,766)</u>	<u>-</u>	<u>3,718</u>	<u>-</u>	<u>(8,684,633)</u>
<u>11,127,392</u>	<u>-</u>	<u>231,400</u>	<u>68,135</u>	<u>16,814,012</u>
<u>\$ 11,094,626</u>	<u>\$ -</u>	<u>\$ 235,118</u>	<u>\$ 68,135</u>	<u>\$ 8,129,379</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>New Jersey Building Authority</u>	<u>New Jersey Lawyers' Assistance Program</u>	<u>New Jersey Lawyers' Fund for Client Protection</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	778,484	3,927,015
Services and assessments	-	-	-
Investment earnings	152,981	4,232	316,431
Contributions	-	-	-
Other	-	-	389,019
Total Revenues	<u>152,981</u>	<u>782,716</u>	<u>4,632,465</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	639,450	3,334,283
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	42,468,546	-	-
Special government services	-	-	-
Debt Service:			
Principal	33,450,000	-	-
Interest	30,143,896	-	-
Total Expenditures	<u>106,062,442</u>	<u>639,450</u>	<u>3,334,283</u>
Excess (deficiency) of revenues over expenditures	<u>(105,909,461)</u>	<u>143,266</u>	<u>1,298,182</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	40,913,183	-	-
Transfers to other funds	-	-	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>40,913,183</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(64,996,278)</u>	<u>143,266</u>	<u>1,298,182</u>
Fund Balances - July 1, 2010	<u>89,155,802</u>	<u>1,293,597</u>	<u>20,561,376</u>
Fund Balances - June 30, 2011	<u>\$ 24,159,524</u>	<u>\$ 1,436,863</u>	<u>\$ 21,859,558</u>

<u>New Jersey Racing Industry Special Fund</u>	<u>New Jersey Schools Development Authority</u>	<u>New Jersey Spill Compensation Fund</u>	<u>New Jersey Spinal Cord Research Fund</u>	<u>New Jersey Transportation Trust Fund Authority</u>
\$ -	\$ -	\$ 22,447,010	\$ -	\$ -
-	-	-	-	31,491,600
-	725	5,137,858	-	-
521,387	-	-	-	-
8,208	1,299,176	39,518	27,939	1,055,820
-	-	-	-	-
14,759,829	3,274	268,962	3,908,973	-
<u>15,289,424</u>	<u>1,303,175</u>	<u>27,893,348</u>	<u>3,936,912</u>	<u>32,547,420</u>
16,338,645	-	-	-	-
-	-	-	2,332,622	-
-	222,602,067	-	-	-
-	-	1,898,749	-	-
-	-	-	-	-
-	-	-	-	38,454,357
-	-	-	-	-
-	-	-	-	-
-	-	-	-	299,475,000
-	-	-	-	495,078,976
<u>16,338,645</u>	<u>222,602,067</u>	<u>1,898,749</u>	<u>2,332,622</u>	<u>833,008,333</u>
<u>(1,049,221)</u>	<u>(221,298,892)</u>	<u>25,994,599</u>	<u>1,604,290</u>	<u>(800,460,913)</u>
-	-	-	-	1,600,000,000
-	499,200,000	-	-	895,000,000
-	-	(21,352,182)	(154,173)	(1,531,052,425)
-	-	-	-	577,062,400
-	-	-	-	(563,746,712)
-	499,200,000	(21,352,182)	(154,173)	977,263,263
<u>(1,049,221)</u>	<u>277,901,108</u>	<u>4,642,417</u>	<u>1,450,117</u>	<u>176,802,350</u>
<u>6,743,875</u>	<u>195,040,131</u>	<u>2,149,925</u>	<u>12,423,972</u>	<u>(101,958,007)</u>
<u>\$ 5,694,654</u>	<u>\$ 472,941,239</u>	<u>\$ 6,792,342</u>	<u>\$ 13,874,089</u>	<u>\$ 74,844,343</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	New Jersey Workforce Development Partnership Fund	Petroleum Overcharge Reimbursement Fund	Pollution Prevention Fund
REVENUES			
Taxes	\$ 98,164,769	\$ -	\$ -
Federal and other grants	-	893,588	-
Licenses and fees	-	-	-
Services and assessments	-	-	1,328,324
Investment earnings	238,418	17,713	2,172
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>98,403,187</u>	<u>911,301</u>	<u>1,330,496</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	22,931	-
Economic planning, development, and security	18,293,494	-	-
Transportation programs	-	-	-
Government direction, management, and control	-	1,317,427	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>18,293,494</u>	<u>1,340,358</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>80,109,693</u>	<u>(429,057)</u>	<u>1,330,496</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	2,500,000	-	-
Transfers to other funds	(79,930,437)	(435,847)	(1,919,875)
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(77,430,437)</u>	<u>(435,847)</u>	<u>(1,919,875)</u>
Net Change in Fund Balance	<u>2,679,256</u>	<u>(864,904)</u>	<u>(589,379)</u>
Fund Balances - July 1, 2010	<u>47,911,858</u>	<u>6,714,723</u>	<u>1,172,998</u>
Fund Balances - June 30, 2011	<u>\$ 50,591,114</u>	<u>\$ 5,849,819</u>	<u>\$ 583,619</u>

Real Estate Guaranty Fund	Safe Drinking Water Fund	Sanitary Landfill Facility Contingency Fund	State Disability Benefit Fund	State-Owned Real Property Fund
\$ -	\$ 2,483,377	\$ -	\$ 592,033,691	\$ -
-	-	-	-	-
54,080	-	-	-	-
-	-	1,676,116	26,881,643	-
5,126	7,541	45,029	458,516	4,034
-	-	-	-	-
-	-	104,716	2,038,281	179,334
<u>59,206</u>	<u>2,490,918</u>	<u>1,825,861</u>	<u>621,412,131</u>	<u>183,368</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
45,511	-	-	517,768,097	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>45,511</u>	<u>-</u>	<u>-</u>	<u>517,768,097</u>	<u>-</u>
<u>13,695</u>	<u>2,490,918</u>	<u>1,825,861</u>	<u>103,644,034</u>	<u>183,368</u>
-	-	-	-	-
-	-	-	-	-
-	(2,475,040)	-	(63,248,171)	(6,200,000)
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>(2,475,040)</u>	<u>-</u>	<u>(63,248,171)</u>	<u>(6,200,000)</u>
<u>13,695</u>	<u>15,878</u>	<u>1,825,861</u>	<u>40,395,863</u>	<u>(6,016,632)</u>
<u>2,032,803</u>	<u>1,375,764</u>	<u>15,408,180</u>	<u>271,964,071</u>	<u>7,900,169</u>
<u>\$ 2,046,498</u>	<u>\$ 1,391,642</u>	<u>\$ 17,234,041</u>	<u>\$ 312,359,934</u>	<u>\$ 1,883,537</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>State Recycling Fund</u>	<u>Superior Court of New Jersey Trust Fund</u>	<u>Supplemental Workforce Fund for Basic Skills</u>
REVENUES			
Taxes	\$ 25,402,318	\$ -	\$ 27,558,552
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	-
Investment earnings	84,477	736,190	19,617
Contributions	-	-	-
Other	-	-	-
Total Revenues	<u>25,486,795</u>	<u>736,190</u>	<u>27,578,169</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	831,355	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	20,359,187	-	-
Economic planning, development, and security	-	-	22,739,471
Transportation programs	-	-	-
Government direction, management, and control	-	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>20,359,187</u>	<u>831,355</u>	<u>22,739,471</u>
Excess (deficiency) of revenues over expenditures	<u>5,127,608</u>	<u>(95,165)</u>	<u>4,838,698</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(1,014,748)	-	(1,064,037)
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(1,014,748)</u>	<u>-</u>	<u>(1,064,037)</u>
Net Change in Fund Balance	<u>4,112,860</u>	<u>(95,165)</u>	<u>3,774,661</u>
Fund Balances - July 1, 2010	<u>33,438,322</u>	<u>543,022</u>	<u>10,243,973</u>
Fund Balances - June 30, 2011	<u>\$ 37,551,182</u>	<u>\$ 447,857</u>	<u>\$ 14,018,634</u>

Tobacco Settlement Financing Corporation	Tobacco Settlement Fund	Tourism Improvement and Development Act	Trial Attorney Certification Program	Unclaimed Child Support Trust Fund
\$ -	\$ -	\$ 5,519,801	\$ -	\$ -
-	-	-	-	-
-	-	-	15,200	-
-	-	-	-	-
7,960,000	7,810	32	186	8,210
-	-	-	-	-
172,570,000	54,261,586	-	1,100	56,464
<u>180,530,000</u>	<u>54,269,396</u>	<u>5,519,833</u>	<u>16,486</u>	<u>64,674</u>
-	-	-	78,822	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	5,361,138	-	-
-	-	-	-	-
987,000	-	-	-	12,014
-	-	-	-	-
24,805,000	-	-	-	-
156,659,000	-	-	-	-
<u>182,451,000</u>	<u>-</u>	<u>5,361,138</u>	<u>78,822</u>	<u>12,014</u>
<u>(1,921,000)</u>	<u>54,269,396</u>	<u>158,695</u>	<u>(62,336)</u>	<u>52,660</u>
-	-	-	-	-
-	-	-	-	-
-	(53,850,000)	(125,000)	-	-
-	-	-	-	-
-	-	-	-	-
-	(53,850,000)	(125,000)	-	-
<u>(1,921,000)</u>	<u>419,396</u>	<u>33,695</u>	<u>(62,336)</u>	<u>52,660</u>
260,619,000	35,134,375	19,932	83,855	2,843,279
<u>\$ 258,698,000</u>	<u>\$ 35,553,771</u>	<u>\$ 53,627</u>	<u>\$ 21,519</u>	<u>\$ 2,895,939</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Unclaimed Utility Deposits Trust Fund</u>	<u>Unemployment Compensation Auxiliary Fund</u>	<u>Unemployment Compensation Interest Repayment Fund</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Federal and other grants	-	-	-
Licenses and fees	-	-	-
Services and assessments	-	-	48,937,840
Investment earnings	21,215	38,175	-
Contributions	-	-	-
Other	3,661,750	20,123,740	-
Total Revenues	<u>3,682,965</u>	<u>20,161,915</u>	<u>48,937,840</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Community development and environmental management	-	-	-
Economic planning, development, and security	-	-	34,077,809
Transportation programs	-	-	-
Government direction, management, and control	1,862,581	-	-
Special government services	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>1,862,581</u>	<u>-</u>	<u>34,077,809</u>
Excess (deficiency) of revenues over expenditures	<u>1,820,384</u>	<u>20,161,915</u>	<u>14,860,031</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(10,580)	(18,117,371)	-
Other sources	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>(10,580)</u>	<u>(18,117,371)</u>	<u>-</u>
Net Change in Fund Balance	1,809,804	2,044,544	14,860,031
Fund Balances - July 1, 2010	4,856,736	-	-
Fund Balances - June 30, 2011	<u>\$ 6,666,540</u>	<u>\$ 2,044,544</u>	<u>\$ 14,860,031</u>

Universal Services Fund	University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund	Vietnam Veterans' Memorial Fund	Volunteer Emergency Service Organizations Loan Fund	Wastewater Treatment Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	38,517,004
-	-	-	-	-
294,978,962	7,269,200	-	-	-
151,569	8,629	1	6,373	1,072,670
-	-	80,240	-	-
-	-	-	20,700	808,134
<u>295,130,531</u>	<u>7,277,829</u>	<u>80,241</u>	<u>27,073</u>	<u>40,397,808</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	339,279
206,106,894	20,392,962	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	81,496	-	-
-	-	-	-	-
-	-	-	-	-
<u>206,106,894</u>	<u>20,392,962</u>	<u>81,496</u>	<u>-</u>	<u>339,279</u>
<u>89,023,637</u>	<u>(13,115,133)</u>	<u>(1,255)</u>	<u>27,073</u>	<u>40,058,529</u>
-	-	-	-	-
-	10,000,000	-	-	-
(89,871,091)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(89,871,091)</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(847,454)</u>	<u>(3,115,133)</u>	<u>(1,255)</u>	<u>27,073</u>	<u>40,058,529</u>
7,421,404	7,121,204	7,432	3,402,785	1,206,344,351
<u>\$ 6,573,950</u>	<u>\$ 4,006,071</u>	<u>\$ 6,177</u>	<u>\$ 3,429,858</u>	<u>\$ 1,246,402,880</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDING JUNE 30, 2011

	<u>Water Supply Replacement Trust Fund</u>	<u>Worker and Community Right to Know Fund</u>	<u>Total Non-Major Special Revenue Funds</u>
REVENUES			
Taxes	\$ -	\$ -	\$ 1,681,557,347
Federal and other grants	-	-	264,273,582
Licenses and fees	-	-	111,104,265
Services and assessments	-	3,141,119	1,131,633,538
Investment earnings	225	2,017	17,301,770
Contributions	-	-	87,571
Other	-	-	365,047,174
Total Revenues	<u>225</u>	<u>3,143,136</u>	<u>3,571,005,247</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	-	85,836,502
Physical and mental health	-	-	261,856,106
Educational, cultural, and intellectual development	-	-	255,118,067
Community development and environmental management	-	-	187,128,563
Economic planning, development, and security	-	-	1,176,432,699
Transportation programs	-	-	83,809,329
Government direction, management, and control	-	-	259,336,236
Special government services	-	-	187,784
Debt Service:			
Principal	-	-	399,945,000
Interest	-	-	737,657,030
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,447,307,316</u>
Excess (deficiency) of revenues over expenditures	<u>225</u>	<u>3,143,136</u>	<u>123,697,931</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	1,600,000,000
Transfers from other funds	-	-	1,622,643,816
Transfers to other funds	-	(3,656,383)	(2,910,475,524)
Other sources	-	-	577,062,400
Other uses	-	-	(563,746,712)
Total other financing sources (uses)	<u>-</u>	<u>(3,656,383)</u>	<u>325,483,980</u>
Net Change in Fund Balance	<u>225</u>	<u>(513,247)</u>	<u>449,181,911</u>
Fund Balances - July 1, 2010	<u>75,307</u>	<u>513,247</u>	<u>3,597,377,881</u>
Fund Balances - June 30, 2011	<u>\$ 75,532</u>	<u>\$ -</u>	<u>\$ 4,046,559,792</u>

Historic Sites of New Jersey

Edison Memorial Tower and Museum
Christie Street, Menlo Park, N.J. 08817
(732) 549-3299

Thomas Alva Edison was an unknown young inventor in 1876, when he moved his experimental facilities to the tiny village of Menlo Park, New Jersey. In a six-year burst of astonishing creativity, he patented approximately 400 inventions, including the phonograph and devices for electric light and power generation. He revolutionized the process of invention itself. Known around the world as the Wizard of Menlo Park, Edison made himself and Menlo Park famous, and to this day, both names are synonymous with the spirit of invention.

The art deco memorial tower was constructed in 1937 as a tribute to Thomas Alva Edison. The tower marks the location of Edison's early experiments critical to the development of the electric light and other major inventions. The site includes a museum that focuses on Edison and his work. The Township of Edison, the nonprofit Edison Memorial Tower Corporation, and the Department of Environmental Protection jointly administer the tower and the museum in Edison State Park.

For more information, visit the Web site at:

<http://www.menloparkmuseum.org/>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2011**

	<u>Correctional Facilities Construction Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>	<u>Energy Conservation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 14,097	\$ 17,557	\$ 6,202
Investments	576,722	473,004	274,322
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Departmental accounts	-	-	-
Loans	-	-	-
Other	-	-	-
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 590,819</u>	<u>\$ 490,561</u>	<u>\$ 280,524</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ 30,991	\$ -
Due to other funds	<u>1,746</u>	<u>1,667</u>	<u>830</u>
Total Liabilities	<u>1,746</u>	<u>32,658</u>	<u>830</u>
 Fund Balances			
Restricted	589,073	457,903	279,694
Committed	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>589,073</u>	<u>457,903</u>	<u>279,694</u>
Total Liabilities and Fund Balances	<u>\$ 590,819</u>	<u>\$ 490,561</u>	<u>\$ 280,524</u>

<u>Human Services Facilities Construction Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>
\$ 119,950	\$ 3,512,899	\$ 6,453
26,251	7,214,882	6,176,944
-	-	-
-	-	-
-	-	-
-	46,958,455	-
-	-	-
<u>\$ 146,201</u>	<u>\$ 57,686,236</u>	<u>\$ 6,183,397</u>
\$ 15,573	\$ 1,802,566	\$ -
<u>20,603</u>	<u>10,198,430</u>	<u>18,698</u>
<u>36,176</u>	<u>12,000,996</u>	<u>18,698</u>
110,025	-	6,164,699
-	45,685,240	-
<u>110,025</u>	<u>45,685,240</u>	<u>6,164,699</u>
<u>\$ 146,201</u>	<u>\$ 57,686,236</u>	<u>\$ 6,183,397</u>

(Continued on next page)

**STATE OF NEW JERSEY
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS (Continued)
JUNE 30, 2011**

	<u>Public Purpose Buildings and Community-Based Facilities Construction Fund</u>	<u>Public Purpose Buildings Construction Fund</u>	<u>Special Transportation Fund</u>
ASSETS			
Cash and cash equivalents	\$ 81,162	\$ 105,672	\$ -
Investments	802,781	134,046	-
Receivables, net of allowances for uncollectibles			
Federal government	-	-	101,467,806
Departmental accounts	-	-	10,875,825
Loans	-	-	5,000,000
Other	-	-	2,895
Due from other funds	-	-	213,485,882
Total Assets	<u>\$ 883,943</u>	<u>\$ 239,718</u>	<u>\$ 330,832,408</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accruals	\$ -	\$ -	\$ 134,714,238
Due to other funds	<u>3,468</u>	<u>6,621</u>	<u>196,118,170</u>
Total Liabilities	<u>3,468</u>	<u>6,621</u>	<u>330,832,408</u>
 Fund Balances			
Restricted	880,475	233,097	-
Committed	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>880,475</u>	<u>233,097</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 883,943</u>	<u>\$ 239,718</u>	<u>\$ 330,832,408</u>

<u>State Facilities for Handicapped Fund</u>	<u>1999 Statewide Transportation and Local Bridge Fund</u>	<u>Total Non-Major Capital Projects Funds</u>
\$ -	\$ 90,232	\$ 3,954,224
11,612	13,472,346	29,162,910
-	-	101,467,806
-	-	10,875,825
-	-	5,000,000
-	-	46,961,350
-	-	213,485,882
<u>\$ 11,612</u>	<u>\$ 13,562,578</u>	<u>\$ 410,907,997</u>
\$ -	\$ -	\$ 136,563,368
-	42,591	206,412,824
<u>-</u>	<u>42,591</u>	<u>342,976,192</u>
11,612	13,519,987	22,246,565
-	-	45,685,240
<u>11,612</u>	<u>13,519,987</u>	<u>67,931,805</u>
<u>\$ 11,612</u>	<u>\$ 13,562,578</u>	<u>\$ 410,907,997</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Correctional Facilities Construction Fund</u>	<u>Correctional Facilities Construction Fund of 1987</u>	<u>Energy Conservation Fund</u>
REVENUES			
Federal and other grants	\$ -	\$ -	\$ -
Services and assessments	-	-	-
Investment earnings	1,746	1,666	830
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>1,746</u>	<u>1,666</u>	<u>830</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	-	202,503	-
Physical and mental health	-	-	-
Educational, cultural, and intellectual development	-	-	-
Economic planning, development, and security	-	-	-
Transportation programs	-	-	-
Government direction, management, and control	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>202,503</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>1,746</u>	<u>(200,837)</u>	<u>830</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	-
Transfers to other funds	<u>(1,746)</u>	<u>(1,666)</u>	<u>(830)</u>
Total other financing sources (uses)	<u>(1,746)</u>	<u>(1,666)</u>	<u>(830)</u>
Net Change in Fund Balance	-	(202,503)	-
Fund Balances - July 1, 2010	<u>589,073</u>	<u>660,406</u>	<u>279,694</u>
Fund Balances - June 30, 2011	<u>\$ 589,073</u>	<u>\$ 457,903</u>	<u>\$ 279,694</u>

<u>Human Services Facilities Construction Fund</u>	<u>Motor Vehicle Commission Fund</u>	<u>New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund</u>
\$ -	\$ -	\$ -
-	-	-
79	135,261	18,698
<u>118,900</u>	<u>-</u>	<u>-</u>
<u>118,979</u>	<u>135,261</u>	<u>18,698</u>
-	15,160,205	-
-	-	-
20,524	-	-
-	-	-
-	-	-
<u>-</u>	<u>4,558</u>	<u>-</u>
<u>20,524</u>	<u>15,164,763</u>	<u>-</u>
<u>98,455</u>	<u>(15,029,502)</u>	<u>18,698</u>
-	-	-
<u>(79)</u>	<u>-</u>	<u>(18,698)</u>
<u>(79)</u>	<u>-</u>	<u>(18,698)</u>
98,376	(15,029,502)	-
<u>11,649</u>	<u>60,714,742</u>	<u>6,164,699</u>
<u>\$ 110,025</u>	<u>\$ 45,685,240</u>	<u>\$ 6,164,699</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Public Purpose Buildings and Community-Based Facilities Construction Fund	Public Purpose Buildings Construction Fund	Special Transportation Fund
REVENUES			
Federal and other grants	\$ -	\$ -	\$ 819,393,503
Services and assessments	-	-	297,775
Investment earnings	3,468	406	-
Other	-	-	375,917
Total Revenues	<u>3,468</u>	<u>406</u>	<u>820,067,195</u>
EXPENDITURES			
Current:			
Public safety and criminal justice	488,218	280	-
Physical and mental health	3,350	-	-
Educational, cultural, and intellectual development	-	6,215	-
Economic planning, development, and security	45,679	-	-
Transportation programs	-	-	2,351,119,620
Government direction, management, and control	-	-	-
Total Expenditures	<u>537,247</u>	<u>6,495</u>	<u>2,351,119,620</u>
Excess (deficiency) of revenues over expenditures	<u>(533,779)</u>	<u>(6,089)</u>	<u>(1,531,052,425)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	-	1,531,052,425
Transfers to other funds	<u>(3,468)</u>	<u>(406)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,468)</u>	<u>(406)</u>	<u>1,531,052,425</u>
Net Change in Fund Balance	<u>(537,247)</u>	<u>(6,495)</u>	<u>-</u>
Fund Balances - July 1, 2010	<u>1,417,722</u>	<u>239,592</u>	<u>-</u>
Fund Balances - June 30, 2011	<u>\$ 880,475</u>	<u>\$ 233,097</u>	<u>\$ -</u>

<u>State Facilities for Handicapped Fund</u>	<u>1999 Statewide Transportation and Local Bridge Fund</u>	<u>Total Non-Major Capital Projects Funds</u>
\$ -	\$ -	\$ 819,393,503
-	-	297,775
35	42,591	204,780
-	-	494,817
<u>35</u>	<u>42,591</u>	<u>820,390,875</u>
-	-	15,851,206
-	-	3,350
-	-	26,739
-	-	45,679
-	876,665	2,351,996,285
-	-	4,558
-	876,665	2,367,927,817
<u>35</u>	<u>(834,074)</u>	<u>(1,547,536,942)</u>
-	-	1,531,052,425
-	(42,591)	(69,484)
-	(42,591)	1,530,982,941
35	(876,665)	(16,554,001)
<u>11,577</u>	<u>14,396,652</u>	<u>84,485,806</u>
<u>\$ 11,612</u>	<u>\$ 13,519,987</u>	<u>\$ 67,931,805</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
JUNE 30, 2011

	<u>Alternate Benefit Program Fund</u>	<u>Dental Expense Program</u>	<u>Judiciary Bail Fund</u>
ASSETS			
Cash and cash equivalents	\$ 63,944	\$ 458,316	\$ 255,408
Investments	385,247	18,275,013	25,982,965
Receivables, net of allowances for uncollectibles			
Members	43,667	-	-
Employers	-	-	-
Due from other funds	<u>25,413,496</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 25,906,354</u></u>	<u><u>\$ 18,733,329</u></u>	<u><u>\$ 26,238,373</u></u>
LIABILITIES			
Accounts payable and accruals	\$ 25,715,563	\$ 18,596,234	\$ 26,238,373
Due to other funds	<u>190,791</u>	<u>137,095</u>	<u>-</u>
Total Liabilities	<u><u>\$ 25,906,354</u></u>	<u><u>\$ 18,733,329</u></u>	<u><u>\$ 26,238,373</u></u>

<u>Judiciary Child Support and Paternity Fund</u>	<u>Judiciary Probation Fund</u>	<u>Judiciary Special Civil Fund</u>
\$ 4,409,541	\$ 84,720	\$ 52,206
22,837,709	8,995,519	1,911,967
-	-	-
-	-	-
-	-	-
<u>\$ 27,247,250</u>	<u>\$ 9,080,239</u>	<u>\$ 1,964,173</u>
\$ 27,247,250	\$ 9,080,239	\$ 1,964,173
-	-	-
<u>\$ 27,247,250</u>	<u>\$ 9,080,239</u>	<u>\$ 1,964,173</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (Continued)
JUNE 30, 2011

	<u>Luxury Tax Development Fund</u>	<u>Pension Adjustment Fund</u>	<u>Resource Recovery Investment Tax Fund</u>
ASSETS			
Cash and cash equivalents	\$ 235,062	\$ 1,878,696	\$ 99,784
Investments	8,575,813	476,192	470,735
Receivables, net of allowances for uncollectibles			
Members	-	-	-
Employers	-	1,274,762	-
Due from other funds	-	68,491	-
Total Assets	<u>\$ 8,810,875</u>	<u>\$ 3,698,141</u>	<u>\$ 570,519</u>
LIABILITIES			
Accounts payable and accruals	\$ 8,810,875	\$ 2,946,107	\$ 570,519
Due to other funds	-	752,034	-
Total Liabilities	<u>\$ 8,810,875</u>	<u>\$ 3,698,141</u>	<u>\$ 570,519</u>

<u>Solid Waste Service Tax Fund</u>	<u>Wage and Hour Trust Fund</u>	<u>Total Agency Funds</u>
\$ 81,347	\$ 1,896,756	\$ 9,515,780
925,937	2,798,219	91,635,316
-	-	43,667
-	-	1,274,762
-	-	25,481,987
<u>\$ 1,007,284</u>	<u>\$ 4,694,975</u>	<u>\$ 127,951,512</u>
\$ 1,007,284	\$ 4,694,025	\$ 126,870,642
-	950	1,080,870
<u>\$ 1,007,284</u>	<u>\$ 4,694,975</u>	<u>\$ 127,951,512</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
ALTERNATE BENEFIT PROGRAM FUND				
Assets				
Cash and cash equivalents	\$ 1,220,743	\$ 147,508,551	\$ 148,665,350	\$ 63,944
Investments	1,054,763	168,750,308	169,419,824	385,247
Receivables, net - members	40,637	43,667	40,637	43,667
Due from other funds	26,947,311	25,413,496	26,947,311	25,413,496
Total Assets	<u>\$ 29,263,454</u>	<u>\$ 341,716,022</u>	<u>\$ 345,073,122</u>	<u>\$ 25,906,354</u>
Liabilities				
Accounts payable	\$ 28,387,944	\$ 26,918,810	\$ 29,591,191	\$ 25,715,563
Due to other funds	875,510	190,791	875,510	190,791
Total Liabilities	<u>\$ 29,263,454</u>	<u>\$ 27,109,601</u>	<u>\$ 30,466,701</u>	<u>\$ 25,906,354</u>
DENTAL EXPENSE PROGRAM				
Assets				
Cash and cash equivalents	\$ -	\$ 38,382,667	\$ 37,924,351	\$ 458,316
Investments	25,396,832	187,059,716	194,181,535	18,275,013
Due from other funds	12,101	124,467,227	124,479,328	-
Total Assets	<u>\$ 25,408,933</u>	<u>\$ 349,909,610</u>	<u>\$ 356,585,214</u>	<u>\$ 18,733,329</u>
Liabilities				
Accounts payable	\$ 25,357,518	\$ 46,768,696	\$ 53,529,980	\$ 18,596,234
Due to other funds	51,415	98,654	12,974	137,095
Total Liabilities	<u>\$ 25,408,933</u>	<u>\$ 46,867,350</u>	<u>\$ 53,542,954</u>	<u>\$ 18,733,329</u>
JUDICIARY BAIL FUND				
Assets				
Cash and cash equivalents	\$ 203,552	\$ 101,464,488	\$ 101,412,632	\$ 255,408
Investments	26,074,965	12,734,438	12,826,438	25,982,965
Receivables, net - other	41,822	-	41,822	-
Total Assets	<u>\$ 26,320,339</u>	<u>\$ 114,198,926</u>	<u>\$ 114,280,892</u>	<u>\$ 26,238,373</u>
Liabilities				
Accounts payable	\$ 26,320,339	\$ 87,830,481	\$ 87,912,447	\$ 26,238,373
Due to other funds	-	125,438	125,438	-
Total Liabilities	<u>\$ 26,320,339</u>	<u>\$ 87,955,919</u>	<u>\$ 88,037,885</u>	<u>\$ 26,238,373</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
JUDICIARY CHILD SUPPORT AND PATERNITY FUND				
Assets				
Cash and cash equivalents	\$ 6,419,380	\$ 2,899,390,833	\$ 2,901,400,672	\$ 4,409,541
Investments	19,712,144	153,446,660	150,321,095	22,837,709
Total Assets	<u>\$ 26,131,524</u>	<u>\$ 3,052,837,493</u>	<u>\$ 3,051,721,767</u>	<u>\$ 27,247,250</u>
Liabilities				
Accounts payable	\$ 26,131,524	\$ 1,439,583,788	\$ 1,438,468,062	\$ 27,247,250
Total Liabilities	<u>\$ 26,131,524</u>	<u>\$ 1,439,583,788</u>	<u>\$ 1,438,468,062</u>	<u>\$ 27,247,250</u>
JUDICIARY PROBATION FUND				
Assets				
Cash and cash equivalents	\$ 163,017	\$ 72,087,264	\$ 72,165,561	\$ 84,720
Investments	9,655,518	18,801,269	19,461,268	8,995,519
Total Assets	<u>\$ 9,818,535</u>	<u>\$ 90,888,533</u>	<u>\$ 91,626,829</u>	<u>\$ 9,080,239</u>
Liabilities				
Accounts payable	\$ 9,818,535	\$ 53,681,106	\$ 54,419,402	\$ 9,080,239
Due to other funds	-	40,268	40,268	-
Total Liabilities	<u>\$ 9,818,535</u>	<u>\$ 53,721,374</u>	<u>\$ 54,459,670</u>	<u>\$ 9,080,239</u>
JUDICIARY SPECIAL CIVIL FUND				
Assets				
Cash and cash equivalents	\$ 40,108	\$ 58,994,427	\$ 58,982,329	\$ 52,206
Investments	2,186,967	23,180,729	23,455,729	1,911,967
Total Assets	<u>\$ 2,227,075</u>	<u>\$ 82,175,156</u>	<u>\$ 82,438,058</u>	<u>\$ 1,964,173</u>
Liabilities				
Accounts payable	\$ 2,227,075	\$ 35,546,193	\$ 35,809,095	\$ 1,964,173
Due to other funds	-	6,729	6,729	-
Total Liabilities	<u>\$ 2,227,075</u>	<u>\$ 35,552,922</u>	<u>\$ 35,815,824</u>	<u>\$ 1,964,173</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
LUXURY TAX DEVELOPMENT FUND				
Assets				
Cash and cash equivalents	\$ 69,516	\$ 165,552	\$ 6	\$ 235,062
Investments	8,549,903	25,910	-	8,575,813
Total Assets	<u>\$ 8,619,419</u>	<u>\$ 191,462</u>	<u>\$ 6</u>	<u>\$ 8,810,875</u>
Liabilities				
Accounts payable	\$ 8,619,419	\$ 191,462	\$ 6	\$ 8,810,875
Total Liabilities	<u>\$ 8,619,419</u>	<u>\$ 191,462</u>	<u>\$ 6</u>	<u>\$ 8,810,875</u>
PENSION ADJUSTMENT FUND				
Assets				
Cash and cash equivalents	\$ 2,079,264	\$ 3,395,338	\$ 3,595,906	\$ 1,878,696
Investments	1,296,520	5,070,934	5,891,262	476,192
Receivables, net - employers	1,239,922	4,098,871	4,064,031	1,274,762
Due from other funds	35,330	99,301	66,140	68,491
Total Assets	<u>\$ 4,651,036</u>	<u>\$ 12,664,444</u>	<u>\$ 13,617,339</u>	<u>\$ 3,698,141</u>
Liabilities				
Accounts payable	\$ 3,535,187	\$ -	\$ 589,080	\$ 2,946,107
Due to other funds	1,115,849	9,728,221	10,092,036	752,034
Total Liabilities	<u>\$ 4,651,036</u>	<u>\$ 9,728,221</u>	<u>\$ 10,681,116</u>	<u>\$ 3,698,141</u>
RESOURCE RECOVERY INVESTMENT TAX FUND				
Assets				
Cash and cash equivalents	\$ 100,299	\$ -	\$ 515	\$ 99,784
Investments	469,313	1,422	-	470,735
Total Assets	<u>\$ 569,612</u>	<u>\$ 1,422</u>	<u>\$ 515</u>	<u>\$ 570,519</u>
Liabilities				
Accounts payable	\$ 569,612	\$ 907	\$ -	\$ 570,519
Total Liabilities	<u>\$ 569,612</u>	<u>\$ 907</u>	<u>\$ -</u>	<u>\$ 570,519</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
SOLID WASTE SERVICE TAX FUND				
Assets				
Cash and cash equivalents	\$ 85,465	\$ -	\$ 4,118	\$ 81,347
Investments	1,522,534	-	596,597	925,937
Total Assets	<u>\$ 1,607,999</u>	<u>\$ -</u>	<u>\$ 600,715</u>	<u>\$ 1,007,284</u>
Liabilities				
Accounts payable	\$ 1,607,999	\$ -	\$ 600,715	\$ 1,007,284
Total Liabilities	<u>\$ 1,607,999</u>	<u>\$ -</u>	<u>\$ 600,715</u>	<u>\$ 1,007,284</u>
WAGE AND HOUR TRUST FUND				
Assets				
Cash and cash equivalents	\$ 1,604,199	\$ 1,823,284	\$ 1,530,727	\$ 1,896,756
Investments	2,792,616	5,603	-	2,798,219
Total Assets	<u>\$ 4,396,815</u>	<u>\$ 1,828,887</u>	<u>\$ 1,530,727</u>	<u>\$ 4,694,975</u>
Liabilities				
Accounts payable	\$ 4,394,971	\$ 1,823,284	\$ 1,524,230	\$ 4,694,025
Due to other funds	1,844	5,603	6,497	950
Total Liabilities	<u>\$ 4,396,815</u>	<u>\$ 1,828,887</u>	<u>\$ 1,530,727</u>	<u>\$ 4,694,975</u>
TOTAL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 11,985,543	\$ 3,323,212,404	\$ 3,325,682,167	\$ 9,515,780
Investments	98,712,075	569,076,989	576,153,748	91,635,316
Receivables, net - members	40,637	43,667	40,637	43,667
Receivables, net - employers	1,239,922	4,098,871	4,064,031	1,274,762
Receivables, net - other	41,822	-	41,822	-
Due from other funds	26,994,742	149,980,024	151,492,779	25,481,987
Total Assets	<u>\$ 139,014,741</u>	<u>\$ 4,046,411,955</u>	<u>\$ 4,057,475,184</u>	<u>\$ 127,951,512</u>
Liabilities				
Accounts payable	\$ 136,970,123	\$ 1,692,344,727	\$ 1,702,444,208	\$ 126,870,642
Due to other funds	2,044,618	10,195,704	11,159,452	1,080,870
Total Liabilities	<u>\$ 139,014,741</u>	<u>\$ 1,702,540,431</u>	<u>\$ 1,713,603,660</u>	<u>\$ 127,951,512</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
JUNE 30, 2011**

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 31,397	\$ 84,365
Securities lending collateral	-	-	-
Investments	1,166,814	22,696	6,643,483
Receivables, net of allowances for uncollectibles			
Members	-	-	-
Employers	-	-	-
Interest and dividends	-	9	404
Due from other funds	-	-	641,005
Other	385,119	-	13,201
Total Assets	<u>1,551,933</u>	<u>54,102</u>	<u>7,382,458</u>
LIABILITIES			
Accounts payable	-	17,210	323,601
Benefits payable	-	20,944	501,899
Securities lending collateral and rebates payable	-	-	-
Due to other funds	-	15,948	65,279
Total Liabilities	<u>-</u>	<u>54,102</u>	<u>890,779</u>
NET ASSETS			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 1,551,933</u>	<u>\$ -</u>	<u>\$ 6,491,679</u>

<u>Health Benefits Program Fund - Local Education</u>	<u>Health Benefits Program Fund - Local Government</u>	<u>Health Benefits Program Fund - State</u>	<u>Judicial Retirement System</u>
\$ 528,391	\$ 1,216,944	\$ 515,221	\$ 52,730
-	-	-	2,940,438
519,476,514	181,134,803	100,860,457	264,755,249
-	-	-	7,705
-	-	-	-
-	-	-	1,428,121
670,113	565,132	82,876,661	36,349
42,921,945	59,002,518	2,227,921	2,098,624
<u>563,596,963</u>	<u>241,919,397</u>	<u>186,480,260</u>	<u>271,319,216</u>
781,264	638,637	3,311,091	420
193,627,412	88,134,027	166,996,600	3,606,106
-	-	-	2,936,658
-	-	-	71,664
<u>194,408,676</u>	<u>88,772,664</u>	<u>170,307,691</u>	<u>6,614,848</u>
<u>\$ 369,188,287</u>	<u>\$ 153,146,733</u>	<u>\$ 16,172,569</u>	<u>\$ 264,704,368</u>

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STATE OF NEW JERSEY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)
JUNE 30, 2011

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
ASSETS			
Cash and cash equivalents	\$ 1,053	\$ 3,530,486	\$ 220,838
Securities lending collateral	-	229,475,294	-
Investments	2,506,719,644	19,906,476,422	9,873,471
Receivables, net of allowances for uncollectibles			
Members	-	42,193,912	-
Employers	-	975,969,639	-
Interest and dividends	1,165,478	99,127,632	325
Due from other funds	-	768,206	86,076
Other	-	416,205,055	-
Total Assets	<u>2,507,886,175</u>	<u>21,673,746,646</u>	<u>10,180,710</u>
LIABILITIES			
Accounts payable	1,243,832	3,585,173	1,680
Benefits payable	-	146,654,798	176,367
Securities lending collateral and rebates payable	-	229,177,920	-
Due to other funds	-	1,640,871	5,013
Total Liabilities	<u>1,243,832</u>	<u>381,058,762</u>	<u>183,060</u>
NET ASSETS			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 2,506,642,343</u>	<u>\$ 21,292,687,884</u>	<u>\$ 9,997,650</u>

<u>Public Employees' Retirement System</u>	<u>State Police Retirement System</u>	<u>Supplemental Annuity Collective Trust</u>	<u>Teachers' Pension and Annuity Fund</u>	<u>Total Pension and Other Employee Benefits Trust Funds</u>
\$ 5,998,852	\$ 559,431	\$ 148,057	\$ 4,913,028	\$ 17,800,793
285,898,714	20,235,655	-	316,307,624	854,857,725
24,569,836,174	1,785,576,113	160,976,579	27,271,941,222	77,285,459,641
48,724,215	-	403,006	72,286,625	163,615,463
1,980,297,395	-	-	70,332,891	3,026,599,925
137,838,635	10,281,635	278,910	157,675,754	407,796,903
1,990,855	402,065	22,705	3,077,835	91,137,002
547,623,313	23,944,732	15,801	238,715,446	1,333,153,675
<u>27,578,208,153</u>	<u>1,840,999,631</u>	<u>161,845,058</u>	<u>28,135,250,425</u>	<u>83,180,421,127</u>
60,381,746	35,774	161,651	46,690,197	117,172,276
236,042,566	12,926,689	3,202,015	283,642,868	1,135,532,291
285,529,722	20,209,695	-	315,900,533	853,754,528
1,820,791	199,278	2,933	2,819,566	6,641,343
<u>583,774,825</u>	<u>33,371,436</u>	<u>3,366,599</u>	<u>649,053,164</u>	<u>2,113,100,438</u>
<u>\$ 26,994,433,328</u>	<u>\$ 1,807,628,195</u>	<u>\$ 158,478,459</u>	<u>\$ 27,486,197,261</u>	<u>\$ 81,067,320,689</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Alternate Benefit Long-Term Disability Fund</u>	<u>Central Pension Fund</u>	<u>Consolidated Police and Firemen's Pension Fund</u>
ADDITIONS			
Contributions:			
Members	\$ -	\$ -	\$ -
Employers	2,885,119	199,451	8,199
Other	-	21,677	4,033,257
Total Contributions	<u>2,885,119</u>	<u>221,128</u>	<u>4,041,456</u>
Investment Income:			
Net increase (decrease) in fair value of investments	-	-	(2,808)
Interest and dividends	8,175	211	26,322
Total Investment Income	<u>8,175</u>	<u>211</u>	<u>23,514</u>
Less investment expense	-	-	6,258
Net Investment Income	<u>8,175</u>	<u>211</u>	<u>17,256</u>
Total Additions	<u>2,893,294</u>	<u>221,339</u>	<u>4,058,712</u>
DEDUCTIONS			
Benefit payments	2,885,114	188,667	6,308,586
Refunds of contributions	-	32,672	-
Administrative expense	-	-	19,182
Total Deductions	<u>2,885,114</u>	<u>221,339</u>	<u>6,327,768</u>
Total Changes in Net Assets Held in Trust	8,180	-	(2,269,056)
Net Assets - July 1, 2010	<u>1,543,753</u>	-	<u>8,760,735</u>
Net Assets - June 30, 2011	<u>\$ 1,551,933</u>	<u>\$ -</u>	<u>\$ 6,491,679</u>

<u>Health Benefits Program Fund - Local Education</u>	<u>Health Benefits Program Fund - Local Government</u>	<u>Health Benefits Program Fund - State</u>	<u>Judicial Retirement System</u>
\$ 52,654,498	\$ 40,187,922	\$ 140,345,415	\$ 2,575,319
1,989,938,374	843,600,488	1,773,900,683	1,693,412
-	-	-	-
<u>2,042,592,872</u>	<u>883,788,410</u>	<u>1,914,246,098</u>	<u>4,268,731</u>
75,086	24,576	27,744	35,147,697
<u>1,735,186</u>	<u>607,529</u>	<u>307,234</u>	<u>7,226,976</u>
1,810,272	632,105	334,978	42,374,673
-	-	-	16,212
<u>1,810,272</u>	<u>632,105</u>	<u>334,978</u>	<u>42,358,461</u>
<u>2,044,403,144</u>	<u>884,420,515</u>	<u>1,914,581,076</u>	<u>46,627,192</u>
2,065,153,689	880,203,684	1,805,522,732	43,198,034
-	-	-	91,258
<u>3,612,014</u>	<u>1,806,007</u>	<u>3,612,014</u>	<u>157,524</u>
<u>2,068,765,703</u>	<u>882,009,691</u>	<u>1,809,134,746</u>	<u>43,446,816</u>
(24,362,559)	2,410,824	105,446,330	3,180,376
<u>393,550,846</u>	<u>150,735,909</u>	<u>(89,273,761)</u>	<u>261,523,992</u>
<u>\$ 369,188,287</u>	<u>\$ 153,146,733</u>	<u>\$ 16,172,569</u>	<u>\$ 264,704,368</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION AND OTHER EMPLOYEE BENEFITS TRUST FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>New Jersey State Employees' Deferred Compensation Plan</u>	<u>Police and Firemen's Retirement System</u>	<u>Prison Officers' Pension Fund</u>
ADDITIONS			
Contributions:			
Members	\$ 185,334,980	\$ 327,357,244	\$ -
Employers	-	(216,914,092)	-
Other	-	-	1,064,245
Total Contributions	<u>185,334,980</u>	<u>110,443,152</u>	<u>1,064,245</u>
Investment Income:			
Net increase (decrease) in fair value of investments	373,384,737	2,533,138,436	(575)
Interest and dividends	<u>10,614,406</u>	<u>539,709,381</u>	<u>35,420</u>
Total Investment Income	383,999,143	3,072,847,817	34,845
Less investment expense	<u>215,346</u>	<u>1,366,962</u>	<u>2,416</u>
Net Investment Income	<u>383,783,797</u>	<u>3,071,480,855</u>	<u>32,429</u>
Total Additions	<u>569,118,777</u>	<u>3,181,924,007</u>	<u>1,096,674</u>
DEDUCTIONS			
Benefit payments	110,598,362	1,721,552,719	2,110,016
Refunds of contributions	-	7,705,744	-
Administrative expense	<u>460,327</u>	<u>4,115,476</u>	<u>7,376</u>
Total Deductions	<u>111,058,689</u>	<u>1,733,373,939</u>	<u>2,117,392</u>
Total Changes in Net Assets Held in Trust	458,060,088	1,448,550,068	(1,020,718)
Net Assets - July 1, 2010	<u>2,048,582,255</u>	<u>19,844,137,816</u>	<u>11,018,368</u>
Net Assets - June 30, 2011	<u>\$ 2,506,642,343</u>	<u>\$ 21,292,687,884</u>	<u>\$ 9,997,650</u>

<u>Public Employees' Retirement System</u>	<u>State Police Retirement System</u>	<u>Supplemental Annuity Collective Trust</u>	<u>Teachers' Pension and Annuity Fund</u>	<u>Total Pension and Other Employee Benefits Trust Funds</u>
\$ 728,602,460	\$ 18,164,838	\$ 5,882,012	\$ 593,587,972	\$ 2,094,692,660
925,626,097	2,208,340	-	36,117,717	5,359,263,788
-	-	-	-	5,119,179
<u>1,654,228,557</u>	<u>20,373,178</u>	<u>5,882,012</u>	<u>629,705,689</u>	<u>7,459,075,627</u>
3,129,818,219	231,819,364	31,638,476	3,608,405,600	9,943,476,552
<u>691,492,464</u>	<u>48,724,828</u>	<u>3,085,104</u>	<u>760,026,395</u>	<u>2,063,599,631</u>
3,821,310,683	280,544,192	34,723,580	4,368,431,995	12,007,076,183
<u>7,669,339</u>	<u>96,636</u>	<u>-</u>	<u>4,043,803</u>	<u>13,416,972</u>
<u>3,813,641,344</u>	<u>280,447,556</u>	<u>34,723,580</u>	<u>4,364,388,192</u>	<u>11,993,659,211</u>
<u>5,467,869,901</u>	<u>300,820,734</u>	<u>40,605,592</u>	<u>4,994,093,881</u>	<u>19,452,734,838</u>
2,672,323,135	148,932,905	18,312,488	3,343,458,692	12,820,748,823
110,111,035	153,756	-	44,612,416	162,706,881
<u>23,714,809</u>	<u>300,802</u>	<u>-</u>	<u>12,321,345</u>	<u>50,126,876</u>
<u>2,806,148,979</u>	<u>149,387,463</u>	<u>18,312,488</u>	<u>3,400,392,453</u>	<u>13,033,582,580</u>
2,661,720,922	151,433,271	22,293,104	1,593,701,428	6,419,152,258
<u>24,332,712,406</u>	<u>1,656,194,924</u>	<u>136,185,355</u>	<u>25,892,495,833</u>	<u>74,648,168,431</u>
<u>\$ 26,994,433,328</u>	<u>\$ 1,807,628,195</u>	<u>\$ 158,478,459</u>	<u>\$ 27,486,197,261</u>	<u>\$ 81,067,320,689</u>

**STATE OF NEW JERSEY
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2011**

	<u>Insurance Annuity Trust Fund</u>	<u>Motor Vehicle Security Responsibility Fund</u>
ASSETS		
Cash and cash equivalents	\$ 100	\$ 27,993
Investments	156,097	235,269
Receivables, net of allowances for uncollectibles		
Departmental accounts	-	-
Total Assets	<u>156,197</u>	<u>263,262</u>
LIABILITIES		
Accounts payable	-	262,451
Due to other funds	-	712
Total Liabilities	<u>-</u>	<u>263,163</u>
NET ASSETS		
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 156,197</u>	<u>\$ 99</u>

<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 1,328,858	\$ 464,980	\$ 1,821,931
5,229,253	6,812,951	12,433,570
-	-	-
6,558,111	7,277,931	14,255,501
3,926,854	-	4,189,305
159,174	32,632	192,518
4,086,028	32,632	4,381,823
\$ 2,472,083	\$ 7,245,299	\$ 9,873,678

**STATE OF NEW JERSEY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Insurance Annuity Trust Fund</u>	<u>Motor Vehicle Security Responsibility Fund</u>
ADDITIONS		
Investment income:		
Interest and dividends	\$ 451	\$ 712
Total Investment Income	451	712
Miscellaneous	6,000	-
Total Additions	<u>6,451</u>	<u>712</u>
DEDUCTIONS		
Refunds and transfers to other systems	-	712
Payments in accordance with trust agreements	-	-
Total Deductions	<u>-</u>	<u>712</u>
Total Changes in Net Assets Held in Trust	6,451	-
Net Assets - July 1, 2010	<u>149,746</u>	<u>99</u>
Net Assets - June 30, 2011	<u>\$ 156,197</u>	<u>\$ 99</u>

<u>Unclaimed County Deposits Trust Fund</u>	<u>Unclaimed Insurance Payments on Deposit Accounts Fund</u>	<u>Total Private Purpose Trust Funds</u>
\$ 21,728	\$ 21,414	\$ 44,305
21,728	21,414	44,305
<u>39,793</u>	<u>647,053</u>	<u>692,846</u>
<u>61,521</u>	<u>668,467</u>	<u>737,151</u>
-	10,035	10,747
<u>114,660</u>	<u>771,718</u>	<u>886,378</u>
<u>114,660</u>	<u>781,753</u>	<u>897,125</u>
(53,139)	(113,286)	(159,974)
<u>2,525,222</u>	<u>7,358,585</u>	<u>10,033,652</u>
<u>\$ 2,472,083</u>	<u>\$ 7,245,299</u>	<u>\$ 9,873,678</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS
JUNE 30, 2011

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,122,953,110	\$ 470,694,114	\$ 1,593,647,224
Investments	1,437,024,220	444,730,179	1,881,754,399
Receivables, net of allowances for uncollectibles			
Federal government	15,825,428	41,655,521	57,480,949
Loans	244,202,386	3,281,205	247,483,591
Mortgages	72,382,000	-	72,382,000
Other	134,412,404	58,295,913	192,708,317
Due from external parties	18,244,558	15,989,868	34,234,426
Inventories	1,756,407	18,518	1,774,925
Other	16,690,893	8,145,511	24,836,404
Total Current Assets	<u>3,063,491,406</u>	<u>1,042,810,829</u>	<u>4,106,302,235</u>
Noncurrent Assets			
Investments	3,893,479,803	779,320,710	4,672,800,513
Receivables, net of allowances for uncollectibles			
Loans	3,623,103,924	13,161,703	3,636,265,627
Mortgages	2,632,937,133	-	2,632,937,133
Other	33,473,353	14,973,359	48,446,712
Capital assets - nondepreciated	783,872,282	397,893,822	1,181,766,104
Capital assets - depreciated, net	1,179,850,502	2,885,758,975	4,065,609,477
Derivative instrument asset	42,892,660	-	42,892,660
Other	65,753,374	68,718,669	134,472,043
Total Noncurrent Assets	<u>12,255,363,031</u>	<u>4,159,827,238</u>	<u>16,415,190,269</u>
Deferred Outflows	<u>22,279,077</u>	<u>2,645,000</u>	<u>24,924,077</u>
Total Assets and Deferred Outflows	<u>15,341,133,514</u>	<u>5,205,283,067</u>	<u>20,546,416,581</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	152,118,148	136,614,401	288,732,549
Due to external parties	1,601,079	1,167,744	2,768,823
Interest payable	83,147,244	43,059,051	126,206,295
Deferred revenue	112,057,015	64,497,327	176,554,342
Current portion of long-term obligations	249,575,468	95,933,224	345,508,692
Other	305,031,644	9,345,031	314,376,675
Total Current Liabilities	<u>903,530,598</u>	<u>350,616,778</u>	<u>1,254,147,376</u>
Noncurrent liabilities			
Net pension obligation	26,857,308	-	26,857,308
Net OPEB obligation	119,080,099	-	119,080,099
Pollution remediation	2,350,000	-	2,350,000
Derivative instrument liability	64,807,839	-	64,807,839
Other	7,956,310,753	2,609,155,149	10,565,465,902
Total Noncurrent Liabilities	<u>8,169,405,999</u>	<u>2,609,155,149</u>	<u>10,778,561,148</u>
Deferred Inflows	<u>1,433,898</u>	<u>2,645,000</u>	<u>4,078,898</u>
Total Liabilities and Deferred Inflows	<u>9,074,370,495</u>	<u>2,962,416,927</u>	<u>12,036,787,422</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,086,869,519	966,142,505	2,053,012,024
Restricted for:			
Capital projects	26,178,325	41,230,857	67,409,182
Debt service	855,012,153	68,153,330	923,165,483
Other purposes	3,238,020,658	363,055,822	3,601,076,480
Unrestricted	<u>1,060,682,364</u>	<u>804,283,626</u>	<u>1,864,965,990</u>
Total Net Assets	<u>\$ 6,266,763,019</u>	<u>\$ 2,242,866,140</u>	<u>\$ 8,509,629,159</u>

**STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Authorities</u>	<u>Colleges and Universities</u>	<u>Total Non-Major Component Units</u>
Expenses	\$ 2,263,330,899	\$ 1,947,465,883	\$ 4,210,796,782
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	690,233,882	1,056,899,036	1,747,132,918
Operating grants and contributions	1,050,661,155	730,028,040	1,780,689,195
Capital grants and contributions	<u>765,364,844</u>	<u>4,713,003</u>	<u>770,077,847</u>
Net (Expense) Revenue	<u>242,928,982</u>	<u>(155,825,804)</u>	<u>87,103,178</u>
General Revenue			
Payments from State	<u>63,417,905</u>	<u>298,709,159</u>	<u>362,127,064</u>
Total General Revenue	<u>63,417,905</u>	<u>298,709,159</u>	<u>362,127,064</u>
Change in Net Assets	306,346,887	142,883,355	449,230,242
Net Assets - Beginning of Year (Restated)	<u>5,960,416,132</u>	<u>2,099,982,785</u>	<u>8,060,398,917</u>
Net Assets - End of Year	<u>\$ 6,266,763,019</u>	<u>\$ 2,242,866,140</u>	<u>\$ 8,509,629,159</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - AUTHORITIES
JUNE 30, 2011

	<u>Atlantic City Convention and Visitors Authority</u>	<u>Casino Reinvestment Development Authority</u>	<u>Higher Education Student Assistance Authority</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 5,551,833	\$ 37,368,606	\$ 171,953,235
Investments	22,969,793	162,207,460	94,915,211
Receivables, net of allowances for uncollectibles			
Federal government	-	-	14,027,173
Loans	-	-	83,442,029
Mortgages	-	-	-
Other	588,511	11,050,047	43,895,058
Due from external parties	8,991,009	-	1,458,260
Inventories	11,165	-	-
Other	1,039,524	-	-
Total Current Assets	<u>39,151,835</u>	<u>210,626,113</u>	<u>409,690,966</u>
Noncurrent Assets			
Investments	4,798,535	-	3,026,178,990
Receivables, net of allowances for uncollectibles			
Loans	-	2,095,331	1,934,455,673
Mortgages	-	117,521,133	-
Other	-	31,798,353	-
Capital assets - nondepreciated	81,311,000	99,367,479	-
Capital assets - depreciated, net	320,741,876	88,956	555,382
Derivative instrument asset	-	-	17,384,660
Other	1,153,208	4,882,285	12,944,869
Total Noncurrent Assets	<u>408,004,619</u>	<u>255,753,537</u>	<u>4,991,519,574</u>
Deferred Outflows	-	-	-
Total Assets and Deferred Outflows	<u>447,156,454</u>	<u>466,379,650</u>	<u>5,401,210,540</u>
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	3,431,891	11,124,590	15,226,656
Due to external parties	-	-	-
Interest payable	8,818,546	3,586,141	8,592,484
Deferred revenue	-	-	-
Current portion of long-term obligations	6,880,000	12,561,692	32,115,000
Other	-	-	27,834,599
Total Current Liabilities	<u>19,130,437</u>	<u>27,272,423</u>	<u>83,768,739</u>
Noncurrent Liabilities			
Net pension obligation	-	-	-
Net OPEB obligation	-	-	-
Pollution remediation	-	-	-
Derivative instrument liability	-	-	17,384,660
Other	113,163,021	451,999,892	2,071,559,980
Total Noncurrent Liabilities	<u>113,163,021</u>	<u>451,999,892</u>	<u>2,088,944,640</u>
Deferred Inflows	-	-	-
Total Liabilities and Deferred Inflows	<u>132,293,458</u>	<u>479,272,315</u>	<u>2,172,713,379</u>
NET ASSETS			
Invested in capital assets, net of related debt	284,724,040	2,791,464	-
Restricted for:			
Capital projects	5,679,829	-	-
Debt service	-	32,214,392	146,860,162
Other purposes	-	-	3,081,636,999
Unrestricted	24,459,127	(47,898,521)	-
Total Net Assets	<u>\$ 314,862,996</u>	<u>\$ (12,892,665)</u>	<u>\$ 3,228,497,161</u>

New Jersey Economic Development Authority	New Jersey Educational Facilities Authority	New Jersey Environmental Infrastructure Trust	New Jersey Health Care Facilities Financing Authority
\$ 18,074,231	\$ 64,116	\$ 324,967,195	\$ 1,000
180,737,516	11,388,904	198,789,624	3,592,000
-	-	-	-
30,391,489	-	94,159,509	286,000
-	-	-	-
-	8,310	27,337,492	2,139,000
-	-	-	-
-	-	-	-
986,234	17,120	61,348	3,543,000
<u>230,189,470</u>	<u>11,478,450</u>	<u>645,315,168</u>	<u>9,561,000</u>
252,175,467	-	91,250,436	-
181,896,947	-	1,181,405,382	1,476,000
-	-	-	-
-	-	-	-
23,435,478	-	-	-
86,786,185	140,939	37,623	85,000
-	-	-	-
231,328	-	9,409,818	-
<u>544,525,405</u>	<u>140,939</u>	<u>1,282,103,259</u>	<u>1,561,000</u>
1,433,898	-	-	-
<u>776,148,773</u>	<u>11,619,389</u>	<u>1,927,418,427</u>	<u>11,122,000</u>
9,794,353	292,387	773,408	452,000
-	-	-	-
1,005,750	-	23,100,787	-
1,369,896	-	-	1,371,000
8,902,735	-	93,974,223	-
3,464,408	-	-	-
<u>24,537,142</u>	<u>292,387</u>	<u>117,848,418</u>	<u>1,823,000</u>
-	-	-	-
-	218,480	-	-
-	-	-	-
-	-	-	-
90,713,231	36,152	1,509,946,313	-
<u>90,713,231</u>	<u>254,632</u>	<u>1,509,946,313</u>	<u>-</u>
1,433,898	-	-	-
<u>116,684,271</u>	<u>547,019</u>	<u>1,627,794,731</u>	<u>1,823,000</u>
53,969,928	140,939	-	85,000
-	-	-	-
-	-	253,511,544	-
19,512,748	-	11,794,514	-
585,981,826	10,931,431	34,317,638	9,214,000
<u>\$ 659,464,502</u>	<u>\$ 11,072,370</u>	<u>\$ 299,623,696</u>	<u>\$ 9,299,000</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)
JUNE 30, 2011

	New Jersey Housing and Mortgage Finance Agency	New Jersey Meadowlands Commission	New Jersey Redevelopment Authority
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 394,313,240	\$ 26,156,132	\$ 4,576,807
Investments	371,217,760	15,499,300	-
Receivables, net of allowances for uncollectibles			
Federal government	-	-	-
Loans	736,000	-	18,897,359
Mortgages	72,382,000	-	-
Other	9,588,000	227,966	7,323,169
Due from external parties	-	-	-
Inventories	-	-	-
Other	1,379,000	-	9,718
Total Current Assets	849,616,000	41,883,398	30,807,053
Noncurrent Assets			
Investments	473,043,000	5,222,028	17,733,279
Receivables, net of allowances for uncollectibles			
Loans	311,119,000	-	10,655,591
Mortgages	2,515,416,000	-	-
Other	1,675,000	-	-
Capital assets - nondepreciated	1,225,000	36,251,235	-
Capital assets - depreciated, net	10,184,000	4,790,500	52,024
Derivative instrument asset	25,508,000	-	-
Other	21,755,000	7,009	-
Total Noncurrent Assets	3,359,925,000	46,270,772	28,440,894
Deferred Outflows	-	-	-
Total Assets and Deferred Outflows	4,209,541,000	88,154,170	59,247,947
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	3,099,000	4,182,162	100,796
Due to external parties	-	-	462,690
Interest payable	25,209,000	-	-
Deferred revenue	18,301,000	1,266,888	-
Current portion of long-term obligations	71,980,000	-	-
Other	244,304,000	268,474	-
Total Current Liabilities	362,893,000	5,717,524	563,486
Noncurrent Liabilities			
Net pension obligation	-	1,013,945	-
Net OPEB obligation	33,851,000	4,655,094	-
Pollution remediation	-	-	-
Derivative instrument liability	26,578,000	-	-
Other	2,832,689,000	7,294,966	-
Total Noncurrent Liabilities	2,893,118,000	12,964,005	-
Deferred Inflows	-	-	-
Total Liabilities and Deferred Inflows	3,256,011,000	18,681,529	563,486
NET ASSETS			
Invested in capital assets, net of related debt	11,409,000	41,041,635	52,024
Restricted for:			
Capital projects	-	-	18,343,816
Debt service	336,359,000	-	-
Other purposes	89,726,000	21,164,124	-
Unrestricted	516,036,000	7,266,882	40,288,621
Total Net Assets	\$ 953,530,000	\$ 69,472,641	\$ 58,684,461

New Jersey Sports and Exposition Authority	New Jersey Water Supply Authority	South Jersey Port Corporation	South Jersey Transportation Authority	Total Non-Major Authorities
\$ 4,955,700	\$ 30,060,420	\$ 10,990,166	\$ 93,920,429	\$ 1,122,953,110
38,670,900	-	178,097,401	158,938,351	1,437,024,220
-	-	1,623,326	174,929	15,825,428
-	-	-	16,290,000	244,202,386
-	-	-	-	72,382,000
16,981,000	1,824,015	3,444,413	10,005,423	134,412,404
782,000	-	7,013,289	-	18,244,558
-	-	1,403,216	342,026	1,756,407
2,407,500	4,216,675	1,047,271	1,983,503	16,690,893
<u>63,797,100</u>	<u>36,101,110</u>	<u>203,619,082</u>	<u>281,654,661</u>	<u>3,063,491,406</u>
-	23,078,068	-	-	3,893,479,803
-	-	-	-	3,623,103,924
-	-	-	-	2,632,937,133
-	-	-	-	33,473,353
117,149,200	107,269,298	96,532,412	221,331,180	783,872,282
224,022,000	36,864,024	111,809,624	383,692,369	1,179,850,502
-	-	-	-	42,892,660
-	6,793,267	-	8,576,590	65,753,374
<u>341,171,200</u>	<u>174,004,657</u>	<u>208,342,036</u>	<u>613,600,139</u>	<u>12,255,363,031</u>
-	-	-	20,845,179	22,279,077
<u>404,968,300</u>	<u>210,105,767</u>	<u>411,961,118</u>	<u>916,099,979</u>	<u>15,341,133,514</u>
22,530,100	2,423,867	60,875,129	17,811,809	152,118,148
-	-	-	1,138,389	1,601,079
314,700	-	8,683,042	3,836,794	83,147,244
87,057,000	1,644,991	538,215	508,025	112,057,015
2,797,000	5,441,514	6,762,510	8,160,794	249,575,468
10,203,300	-	166,468	18,790,395	305,031,644
<u>122,902,100</u>	<u>9,510,372</u>	<u>77,025,364</u>	<u>50,246,206</u>	<u>903,530,598</u>
24,712,900	-	1,130,463	-	26,857,308
6,748,000	-	2,682,925	70,924,600	119,080,099
2,350,000	-	-	-	2,350,000
-	-	-	20,845,179	64,807,839
16,705,300	86,563,054	293,245,654	482,394,190	7,956,310,753
50,516,200	86,563,054	297,059,042	574,163,969	8,169,405,999
-	-	-	-	1,433,898
<u>173,418,300</u>	<u>96,073,426</u>	<u>374,084,406</u>	<u>624,410,175</u>	<u>9,074,370,495</u>
341,401,000	77,691,938	5,225,432	268,337,119	1,086,869,519
-	-	-	2,154,680	26,178,325
-	12,011,721	25,728,619	48,326,715	855,012,153
4,956,000	-	1,403,216	7,827,057	3,238,020,658
(114,807,000)	24,328,682	5,519,445	(34,955,767)	1,060,682,364
<u>\$ 231,550,000</u>	<u>\$ 114,032,341</u>	<u>\$ 37,876,712</u>	<u>\$ 291,689,804</u>	<u>\$ 6,266,763,019</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Atlantic City Convention and Visitors Authority</u>	<u>Casino Reinvestment Development Authority</u>	<u>Higher Education Student Assistance Authority</u>
Expenses	\$ 49,594,593	\$ 42,004,683	\$ 829,995,383
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	49,691,419	39,277,943	180,045,897
Operating grants and contributions	53,665	6,445,877	575,489,441
Capital grants and contributions	-	-	753,166,794
Net (Expense) Revenue	<u>150,491</u>	<u>3,719,137</u>	<u>678,706,749</u>
General Revenue			
Payments from State	-	-	-
Total General Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	150,491	3,719,137	678,706,749
Net Assets - Beginning of Year (Restated)	<u>314,712,505</u>	<u>(16,611,802)</u>	<u>2,549,790,412</u>
Net Assets - End of Year	<u>\$ 314,862,996</u>	<u>\$ (12,892,665)</u>	<u>\$ 3,228,497,161</u>

<u>New Jersey Economic Development Authority</u>	<u>New Jersey Educational Facilities Authority</u>	<u>New Jersey Environmental Infrastructure Trust</u>	<u>New Jersey Health Care Facilities Financing Authority</u>
\$ 134,997,757	\$ 2,699,287	\$ 57,623,899	\$ 3,435,000
21,468,837	3,710,465	5,793,539	3,950,000
16,911,407	14,066	63,847,185	73,000
-	-	-	-
<u>(96,617,513)</u>	<u>1,025,244</u>	<u>12,016,825</u>	<u>588,000</u>
<u>51,754,616</u>	-	-	-
<u>51,754,616</u>	-	-	-
(44,862,897)	1,025,244	12,016,825	588,000
<u>704,327,399</u>	<u>10,047,126</u>	<u>287,606,871</u>	<u>8,711,000</u>
<u>\$ 659,464,502</u>	<u>\$ 11,072,370</u>	<u>\$ 299,623,696</u>	<u>\$ 9,299,000</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>New Jersey Housing and Mortgage Finance Agency</u>	<u>New Jersey Meadowlands Commission</u>	<u>New Jersey Redevelopment Authority</u>
Expenses	\$ 366,817,000	\$ 43,650,046	\$ 2,233,509
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	33,836,000	24,078,458	498,115
Operating grants and contributions	309,874,000	22,756,828	5,900,278
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>
Net (Expense) Revenue	<u>(23,107,000)</u>	<u>3,185,240</u>	<u>4,164,884</u>
General Revenue			
Payments from State	<u>-</u>	<u>-</u>	<u>-</u>
Total General Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	(23,107,000)	3,185,240	4,164,884
Net Assets - Beginning of Year (Restated)	<u>976,637,000</u>	<u>66,287,401</u>	<u>54,519,577</u>
Net Assets - End of Year	<u>\$ 953,530,000</u>	<u>\$ 69,472,641</u>	<u>\$ 58,684,461</u>

New Jersey Sports and Exposition Authority	New Jersey Water Supply Authority	South Jersey Port Corporation	South Jersey Transportation Authority	Total Non-Major Authorities
\$ 522,935,200	\$ 25,175,182	\$ 43,842,386	\$ 138,326,974	\$ 2,263,330,899
173,977,600	26,741,405	18,509,959	108,654,245	690,233,882
41,491,600	487,322	3,916,512	3,399,974	1,050,661,155
-	-	326,666	11,871,384	765,364,844
(307,466,000)	2,053,545	(21,089,249)	(14,401,371)	242,928,982
-	-	11,663,289	-	63,417,905
-	-	11,663,289	-	63,417,905
(307,466,000)	2,053,545	(9,425,960)	(14,401,371)	306,346,887
539,016,000	111,978,796	47,302,672	306,091,175	5,960,416,132
<u>\$ 231,550,000</u>	<u>\$ 114,032,341</u>	<u>\$ 37,876,712</u>	<u>\$ 291,689,804</u>	<u>\$ 6,266,763,019</u>

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES
JUNE 30, 2011

	<u>The College of New Jersey</u>	<u>Kean University</u>	<u>Montclair State University</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 4,913,000	\$ 135,707,436	\$ 13,494,785
Investments	88,525,000	45,653,812	41,903,845
Receivables, net of allowances for uncollectibles			
Federal government	4,437,000	2,475,304	3,593,262
Loans	832,000	229,925	445,525
Other	3,146,000	8,061,734	5,058,271
Due from external parties	1,716,000	3,773,363	2,218,975
Inventories	-	-	-
Other	2,593,000	219,803	1,481,481
Total Current Assets	<u>106,162,000</u>	<u>196,121,377</u>	<u>68,196,144</u>
Noncurrent Assets			
Investments	70,696,000	12,673,603	180,550,357
Receivables, net of allowances for uncollectibles			
Loans	3,025,000	1,436,934	2,977,014
Other	-	40,525	2,580,501
Capital assets - nondepreciated	75,380,000	22,844,391	85,434,755
Capital assets - depreciated, net	489,579,000	370,725,135	454,510,833
Other	36,335,000	5,111,312	4,670,999
Total Noncurrent Assets	<u>675,015,000</u>	<u>412,831,900</u>	<u>730,724,459</u>
Deferred Outflows	<u>2,645,000</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>783,822,000</u>	<u>608,953,277</u>	<u>798,920,603</u>
 LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	15,337,000	9,916,270	20,347,071
Due to external parties	-	-	-
Interest payable	9,497,000	7,215,600	8,130,484
Deferred revenue	2,676,000	8,471,979	14,299,335
Current portion of long-term obligations	6,257,000	11,022,899	13,868,738
Other	3,074,000	253,278	1,418,369
Total Current Liabilities	<u>36,841,000</u>	<u>36,880,026</u>	<u>58,063,997</u>
Noncurrent liabilities			
Other	381,772,000	368,358,882	363,275,300
Total Noncurrent Liabilities	<u>381,772,000</u>	<u>368,358,882</u>	<u>363,275,300</u>
Deferred Inflows	<u>2,645,000</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows	<u>421,258,000</u>	<u>405,238,908</u>	<u>421,339,297</u>
 NET ASSETS			
Invested in capital assets, net of related debt	212,893,000	71,982,769	180,381,264
Restricted for:			
Capital projects	-	35,611,385	-
Debt service	4,395,000	6,459,530	13,431,787
Other purposes	18,126,000	23,374,604	58,845,565
Unrestricted	<u>127,150,000</u>	<u>66,286,081</u>	<u>124,922,690</u>
Total Net Assets	<u>\$ 362,564,000</u>	<u>\$ 203,714,369</u>	<u>\$ 377,581,306</u>

<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>Ramapo College of New Jersey</u>	<u>The Richard Stockton College of New Jersey</u>	<u>Rowan University</u>
\$ 3,832,654	\$ 32,686,000	\$ 4,271,000	\$ 19,665,172	\$ 138,467,329
27,814,638	9,657,000	77,416,000	81,220,678	5,767,288
831,361	23,555,000	124,000	799,761	2,268,660
-	282,000	135,000	303,321	222,028
6,882,272	14,774,000	1,240,000	5,943,754	2,559,768
-	909,000	3,558,000	-	2,637,971
-	-	-	18,518	-
101,580	1,965,000	27,000	43,890	1,539,073
<u>39,462,505</u>	<u>83,828,000</u>	<u>86,771,000</u>	<u>107,995,094</u>	<u>153,462,117</u>
54,088,195	101,802,000	12,526,000	70,480,309	247,280,498
683,685	1,669,000	811,000	2,027,415	-
605,300	-	2,190,000	3,354,424	4,791,756
34,126,747	19,337,000	3,539,000	30,725,785	94,758,167
139,966,431	213,937,000	259,154,000	246,390,223	395,832,217
3,375,720	7,205,000	-	2,678,839	4,690,320
<u>232,846,078</u>	<u>343,950,000</u>	<u>278,220,000</u>	<u>355,656,995</u>	<u>747,352,958</u>
-	-	-	-	-
<u>272,308,583</u>	<u>427,778,000</u>	<u>364,991,000</u>	<u>463,652,089</u>	<u>900,815,075</u>
9,381,066	8,639,000	11,666,000	21,914,773	14,736,212
-	1,063,000	-	-	88,527
3,369,213	4,431,000	-	-	10,415,754
1,849,321	9,580,000	5,177,000	2,229,827	7,358,287
7,458,133	12,532,000	6,637,000	7,132,126	18,450,319
-	2,466,000	2,070,000	-	63,384
<u>22,057,733</u>	<u>38,711,000</u>	<u>25,550,000</u>	<u>31,276,726</u>	<u>51,112,483</u>
145,565,250	177,863,000	236,184,000	256,166,677	506,799,731
<u>145,565,250</u>	<u>177,863,000</u>	<u>236,184,000</u>	<u>256,166,677</u>	<u>506,799,731</u>
-	-	-	-	-
<u>167,622,983</u>	<u>216,574,000</u>	<u>261,734,000</u>	<u>287,443,403</u>	<u>557,912,214</u>
59,907,819	83,083,000	32,608,000	57,707,159	73,355,825
-	-	4,115,000	-	-
2,948,040	-	285,000	4,138,604	24,372,200
8,020,663	66,690,000	15,725,000	13,181,144	140,210,609
33,809,078	61,431,000	50,524,000	101,181,779	104,964,227
<u>\$ 104,685,600</u>	<u>\$ 211,204,000</u>	<u>\$ 103,257,000</u>	<u>\$ 176,208,686</u>	<u>\$ 342,902,861</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)
JUNE 30, 2011

	Thomas Edison State College	The William Paterson University of New Jersey	Total Non-Major Colleges and Universities
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 2,999,211	\$ 114,657,527	\$ 470,694,114
Investments	43,921,200	22,850,718	444,730,179
Receivables, net of allowances for uncollectibles			
Federal government	2,422,272	1,148,901	41,655,521
Loans	-	831,406	3,281,205
Other	4,936,378	5,693,736	58,295,913
Due from external parties	-	1,176,559	15,989,868
Inventories	-	-	18,518
Other	174,684	-	8,145,511
Total Current Assets	54,453,745	146,358,847	1,042,810,829
Noncurrent Assets			
Investments	1,893,818	27,329,930	779,320,710
Receivables, net of allowances for uncollectibles			
Loans	-	531,655	13,161,703
Other	-	1,410,853	14,973,359
Capital assets - nondepreciated	3,586,810	28,161,167	397,893,822
Capital assets - depreciated, net	30,763,671	284,900,465	2,885,758,975
Other	-	4,651,479	68,718,669
Total Noncurrent Assets	36,244,299	346,985,549	4,159,827,238
Deferred Outflows	-	-	2,645,000
Total Assets and Deferred Outflows	90,698,044	493,344,396	5,205,283,067
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	5,434,449	19,242,560	136,614,401
Due to external parties	16,217	-	1,167,744
Interest payable	-	-	43,059,051
Deferred revenue	8,548,784	4,306,794	64,497,327
Current portion of long-term obligations	2,259,405	10,315,604	95,933,224
Other	-	-	9,345,031
Total Current Liabilities	16,258,855	33,864,958	350,616,778
Noncurrent liabilities			
Other	1,680,093	171,490,216	2,609,155,149
Total Noncurrent Liabilities	1,680,093	171,490,216	2,609,155,149
Deferred Inflows	-	-	2,645,000
Total Liabilities and Deferred Inflows	17,938,948	205,355,174	2,962,416,927
NET ASSETS			
Invested in capital assets, net of related debt	32,290,241	161,933,428	966,142,505
Restricted for:			
Capital projects	-	1,504,472	41,230,857
Debt service	-	12,123,169	68,153,330
Other purposes	6,450,534	12,431,703	363,055,822
Unrestricted	34,018,321	99,996,450	804,283,626
Total Net Assets	\$ 72,759,096	\$ 287,989,222	\$ 2,242,866,140

Historic Sites of New Jersey

Fort Mott, Fort Mott State Park
454 Fort Mott Road
Pennsville, N.J. 08070
(856) 935-3218

Fort Mott was part of a coastal defense system designed for the Delaware River in the late 1800s. The fortifications seen today at Fort Mott were erected in 1896 in anticipation of the Spanish-American War. Today, visitors may tour the old batteries following interpretive signs with detailed descriptions of the fort. Just beyond the fortifications is the Delaware River where the shoreline offers scenic areas for walking and picnicking. The NJ Coastal Heritage Trail-Welcome Center includes displays defining Fort Mott's place in history and the environment.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/fortmott.html#links>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>The College of New Jersey</u>	<u>Kean University</u>	<u>Montclair State University</u>
Expenses	\$ 192,908,000	\$ 223,572,873	\$ 312,267,045
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	125,588,000	124,638,747	198,177,046
Operating grants and contributions	49,596,000	81,740,137	102,236,999
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>
Net (Expense) Revenue	<u>(17,724,000)</u>	<u>(17,193,989)</u>	<u>(11,853,000)</u>
General Revenue			
Payments from State	<u>30,480,000</u>	<u>34,165,000</u>	<u>40,146,000</u>
Total General Revenue	<u>30,480,000</u>	<u>34,165,000</u>	<u>40,146,000</u>
Change in Net Assets	12,756,000	16,971,011	28,293,000
Net Assets - Beginning of Year (Restated)	<u>349,808,000</u>	<u>186,743,358</u>	<u>349,288,306</u>
Net Assets - End of Year	<u>\$ 362,564,000</u>	<u>\$ 203,714,369</u>	<u>\$ 377,581,306</u>

<u>New Jersey City University</u>	<u>New Jersey Institute of Technology</u>	<u>Ramapo College of New Jersey</u>	<u>The Richard Stockton College of New Jersey</u>	<u>Rowan University</u>
\$ 144,304,455	\$ 252,573,000	\$ 132,141,000	\$ 157,019,328	\$ 252,338,819
54,371,739	102,752,000	85,728,000	81,412,969	131,959,692
62,288,708	128,357,000	41,069,000	63,462,060	99,568,230
540,038	1,378,000	-	-	2,165,645
<u>(27,103,970)</u>	<u>(20,086,000)</u>	<u>(5,344,000)</u>	<u>(12,144,299)</u>	<u>(18,645,252)</u>
<u>27,090,000</u>	<u>39,191,000</u>	<u>16,770,000</u>	<u>20,631,000</u>	<u>47,847,000</u>
<u>27,090,000</u>	<u>39,191,000</u>	<u>16,770,000</u>	<u>20,631,000</u>	<u>47,847,000</u>
(13,970)	19,105,000	11,426,000	8,486,701	29,201,748
<u>104,699,570</u>	<u>192,099,000</u>	<u>91,831,000</u>	<u>167,721,985</u>	<u>313,701,113</u>
<u>\$ 104,685,600</u>	<u>\$ 211,204,000</u>	<u>\$ 103,257,000</u>	<u>\$ 176,208,686</u>	<u>\$ 342,902,861</u>

(Continued on next page)

STATE OF NEW JERSEY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - COLLEGES AND UNIVERSITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Thomas Edison State College</u>	<u>The William Paterson University of New Jersey</u>	<u>Total Non-Major Colleges and Universities</u>
Expenses	\$ 79,271,597	\$ 201,069,766	\$ 1,947,465,883
Net (Expense) Revenue and Changes in Net Assets			
Program Revenues			
Charges for services	37,204,793	115,066,050	1,056,899,036
Operating grants and contributions	35,225,511	66,484,395	730,028,040
Capital grants and contributions	<u>-</u>	<u>629,320</u>	<u>4,713,003</u>
Net (Expense) Revenue	<u>(6,841,293)</u>	<u>(18,890,001)</u>	<u>(155,825,804)</u>
General Revenue			
Payments from State	<u>8,337,159</u>	<u>34,052,000</u>	<u>298,709,159</u>
Total General Revenue	<u>8,337,159</u>	<u>34,052,000</u>	<u>298,709,159</u>
Change in Net Assets	1,495,866	15,161,999	142,883,355
Net Assets - Beginning of Year (Restated)	<u>71,263,230</u>	<u>272,827,223</u>	<u>2,099,982,785</u>
Net Assets - End of Year	<u>\$ 72,759,096</u>	<u>\$ 287,989,222</u>	<u>\$ 2,242,866,140</u>

**STATE OF NEW JERSEY
DESCRIPTION OF FUNDS**

Alcohol Education, Rehabilitation and Enforcement Fund (N.J.S.A. 54:32C)

Special Revenue Fund

Annual deposits of \$11 million are made to this fund from annual Alcohol Beverage Excise Tax collections. The enabling legislation dedicates 75.0 percent toward alcohol rehabilitation, 15.0 percent toward enforcement, and 10.0 percent toward education. Additionally, a \$40 fee paid by persons convicted of operating a motor vehicle under the influence of intoxicating liquor or drugs is deposited into this fund to be used for the screening, evaluation, education, and referral of persons who have been convicted of driving while intoxicated.

Alternate Benefit Long-Term Disability Fund

Pension Trust Fund

The fund is employer-funded for long-term disability. Benefits are paid to those members of the Alternate Benefit Program Fund who have been disabled for two years or more since October 1, 1986.

Alternate Benefit Program Fund (N.J.S.A. 18A:66-167 et seq.)

Agency Fund

Faculty members of public institutions of higher education and certain administrative and professional titles are allowed to participate in a defined contribution plan. The employer contributes eight percent of base or contractual salary and then is reimbursed through this fund. The State's appropriation equals the amount needed to reimburse the employers for their contribution.

Atlantic City Parking Fees Fund (P.L. 1993, c.159)

Special Revenue Fund

A \$3 fee per diem is imposed for each vehicle parked, garaged, or stored in any casino hotel parking space. As per P.L. 2003, c.116 effective July 1, 2007, of the \$3 fee collected the first \$2.50 shall be remitted to the Casino Reinvestment Development Authority (CRDA). The remaining \$.50 shall be deposited into the Casino Revenue Fund.

Atlantic City Projects-Room Fund (P.L. 2001, c.221)

Special Revenue Fund

The Atlantic City Projects-Room Fund facilitates the development of entertainment-retail projects in specified districts located within Atlantic City and promotes the revitalization of other urban areas throughout the State. Room Fund revenue is comprised of Tourism Promotion Fee receipts limited to annual Luxury Tax receipts that exceed the pre-determined baseline amount for a given district. Project Fund revenue is comprised of Sales and Use Tax receipts received from the entertainment-retail vendors within each district project. These funds shall be used by the Casino Reinvestment Development Authority for eligible projects in the corridor regions of Atlantic City.

Atlantic City Tourism Promotion Fund (P.L. 1991, c.376)

Special Revenue Fund

This fund accounts for revenues collected for a \$2 fee per diem for each occupied room in any hotel providing casino gaming and \$1 fee per diem for each occupied room in any other hotel in the eligible municipality. The revenues are collected, certified, and distributed on a monthly basis to the Atlantic City Convention and Visitors Authority. Amounts expended are solely for the purpose of promoting tourism, conventions, resorts, and casino gaming.

Beaches and Harbor Fund (P.L. 1977, c.208)

General Fund

An amount of \$30 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain beaches and harbors.

2007 Blue Acres Fund (P.L. 2007, c.119)

General Fund

An amount of \$12 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of acquiring land by the State for recreation and conservation purposes in the floodways of the Delaware River, Passaic River, or Raritan River, and their respective tributaries.

Board of Bar Examiners (R. 1:27B1)

Special Revenue Fund

This fund was established for the purposes of drafting bar essay examination questions, reviewing applications, and preparing, administering, and grading bar examinations. Revenues are generated by payments made by candidates for admission to the Bar of the State of New Jersey. Revenues include examination fees, late fee charges, certificates of good standing, license name changes, and copying fees.

Boarding House Rental Assistance Fund (N.J.S.A. 55:14K-14)

Special Revenue Fund

A \$1.0 million appropriation (\$750 thousand from the Casino Revenue Fund and \$250 thousand from the General Fund) initially funded the Boarding House Rental Assistance Fund. This fund finances life safety improvement loans by the New Jersey Housing and Mortgage Finance Agency for the benefit of residents of boarding homes; and to account for the repayments for such life safety improvement loans.

Body Armor Replacement Fund (P.L. 1997, c.177)

Special Revenue Fund

One dollar for every bail forfeiture and one dollar added to the amount of each fine and penalty collected under authority of any law for any violation of Title 39 of the revised statutes or any other motor vehicle or traffic violation are deposited in this fund. This fund is used exclusively for the purchase of body vests for law enforcement and correction officers.

Capital City Redevelopment Loan and Grant Fund (P.L. 1987, c.58)

Special Revenue Fund

This fund was established for the redevelopment and revitalization of the city of Trenton. The State established the Capital City Redevelopment Corporation to operate within the boundaries of the Trenton district, which plans, coordinates, and promotes the public and private development of that district in a manner that enhances the Trenton area's vitality as a place of commerce, recreation, and culture and as an area which to conduct public business and visit historic sites. Redevelopment projects are funded annually via General Fund appropriation.

Casino Control Fund (N.J.S.A. 5:12-143)

Special Revenue Fund

This fund accounts for fees from the issuance and annual renewal of casino licenses and other license fees. The Casino Control Commission and the Division of Gaming Enforcement are funded by Casino Control Fund appropriations.

Casino Revenue Fund (N.J.S.A. 5:12-145)

Special Revenue Fund

This fund accounts for the tax on gross revenue generated by the casinos. Gross revenue refers to the total of all sums actually received by a licensee from gaming operations less the total sums paid out as winnings to patrons. Other taxes and fees deposited into this fund are the Casino Room Fee, Progressive Slot Tax, and a portion of the Casino Parking Fee. Appropriations from this fund must be used to provide for reductions in property taxes, utility charges, and other specified expenses of eligible senior citizens.

Casino Simulcasting Fund (P.L. 1992, c.19)

Special Revenue Fund

Casino simulcasting is defined as the simultaneous transmission by picture of running or harness horse races conducted at race tracks to Atlantic City casinos and pari-mutuel wagering at those gambling establishments on the results of those races. One half of a percent of the pari-mutuel pool generated at the casino is deposited into this fund and is used for services to benefit senior citizens.

Casino Simulcasting Special Fund (P.L. 1992, c.19)

Special Revenue Fund

After multiple formula distributions, a portion of the remaining balance and all breakage moneys and outstanding pari-mutuel ticket monies resulting from casino wagering on out-of-state race tracks are deposited into this fund. The funds are disbursed as operating subsidies to the Atlantic City racetrack, Atlantic City casinos conducting simulcasting, and for other miscellaneous purposes.

Catastrophic Illness in Children Relief Fund (P.L. 1987, c.370)

Special Revenue Fund

This fund provides assistance to children and their families whose medical expenses due to a child's "catastrophic illness" extend beyond the families' available resources. Revenue is derived from a \$1.50 annual surcharge per employee for all employers who are subject to the New Jersey Unemployment Compensation Law.

Central Pension Fund

Pension Trust Fund

This fund administers a series of noncontributory pension acts. Benefits are funded on a pay-as-you-go basis in accordance with the governing statute and the rules and regulations of the State House Commission.

Clean Communities Account Fund (P.L. 1985, c.533)

Special Revenue Fund

A user fee on sales of litter-generating products is credited to this fund. Fund resources are primarily used to provide State aid to eligible municipalities for programs of litter pickup and removal, including the establishment of an "Adopt-A-Highway" program. A small portion of the available balance is to be used for a State program of litter pickup and removal, as well as enforcement of litter-related laws.

Clean Energy Fund (P.L. 1999, c.23)

Special Revenue Fund

This fund accounts for revenues collected from a "societal benefit charge" on monthly utility bills. Funds generated from this charge are used to support clean energy initiatives.

Clean Waters Fund (P.L. 1976, c.92)

General Fund

An amount of \$120 million of General Obligation bonds was authorized to research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities.

Clean Water State Revolving Fund (P.L. 2009, c.77)

Special Revenue Fund

This fund is the depository for the receipt of federal capitalization grants and other funds made available to the State for clean water projects and set-asides pursuant to the "Water Quality Act of 1987" and any amendatory and supplementary acts thereto.

Consolidated Police and Firemen's Pension Fund (N.J.S.A. 43:16)

Pension Trust Fund

This fund was established to place 212 local police and firemen pension funds on an actuarial basis. The membership consists of policemen and firemen appointed prior to July 1, 1944. The liabilities of these local funds are shared: two-thirds by the participating counties and municipalities and one-third by the State.

Correctional Facilities Construction Fund (P.L. 1982, c.120)

Capital Projects Fund

An amount of \$170 million of General Obligation bonds was authorized for construction of new medium security prisons, county assistance programs, and renovations and modifications to existing State facilities.

Correctional Facilities Construction Fund of 1987 (P.L. 1987, c.178)

Capital Projects Fund

An amount of \$198 million of General Obligation bonds was authorized for the planning, erection, acquisition, improvement, construction, reconstruction, development, extension, rehabilitation, demolition, and equipment of State and county correctional facilities.

Cultural Centers and Historic Preservation Fund (P.L. 1987, c.265)

General Fund

An amount of \$100 million of General Obligation bonds was authorized for the purpose of financing the construction and development of cultural centers (\$40 million); the restoration, repair, or rehabilitation of historic structures in the State (\$25 million); and for the purpose of providing for grants and loans to assist municipalities, counties, and other units of local government to acquire and develop lands for recreation and conservation purposes (\$35 million).

2003 Dam, Lake and Stream Project Revolving Loan Fund (P.L. 2003, c.162)

General Fund

An amount of \$110 million of General Obligation bonds was authorized to make low-interest loans to owners of dams, lakes or streams, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects.

2003 Dam, Lake, Stream and Flood Control Project Fund (P.L. 2003, c.162)

General Fund

An amount of \$40 million of General Obligation bonds was authorized to provide assistance, other than full or matching grants, to owners of dams, lakes or streams, or private lake associations for dam restoration and repair projects, lake dredging and restoration projects, or stream cleaning and desnagging projects, and for State flood control projects or State dam restoration and repair projects.

1992 Dam Restoration and Clean Waters Trust Fund (P.L. 1992, c.88)

General Fund

An amount of \$20 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland, and Historic Preservation Bond Act of 1992 to finance dam restoration and inland water projects and loans.

Dental Expense Program (N.J.S.A. 52:14-17.29)

Agency Fund

This program helps meet the dental expenses for eligible state and local employees, retirees, and their dependents. There are two separate benefit types available. The Dental Expense Program (DEP) is a self-insured indemnity plan. Included are full coverage of eligible diagnostic and preventive services and substantial benefits for covered restorative services. For active employees there is an annual benefit maximum of \$3,000 and a separate lifetime \$1,000 maximum for child orthodontic services. The DEP also has a “discount network” of providers who have contracts with the insurance carrier which reduces the cost of services to the employee and to the program. In addition to the DEP, there are several Dental Plan Organizations (DPOs) participating in the State program. Similar to HMOs for health care, the DPOs pay for benefits rendered by contracted providers. The DEP is available to employees of the State of New Jersey, including employees of certain independent agencies, such as the State colleges and universities. Although the cost sharing is subject to bargaining contracts, at this time all State employees use the same rule: the State pays for at least one-half of the cost of coverage. The DEP is offered to local employees whose employers have elected to participate.

Retirees who participate in the State Health Benefits Plan are permitted to enroll themselves and eligible dependents in the DEP at the time of retirement, but are subject to a maximum annual benefit limit of \$1,500. The retiree pays the entire cost.

1989 Development Potential Bank Transfer Fund (P.L. 1989, c.183)

General Fund

An amount of \$20 million of General Obligation bonds was authorized to provide for the acquisition and development rights of land by the State for recreation and conservation purposes.

Developmental Disabilities Waiting List Reduction Fund (P.L. 1994, c.108)

General Fund

An amount of \$160 million of General Obligation bonds was authorized for the purpose of planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of community-based residential facilities for clients on the New Jersey Department of Human Services’ Developmental Disabilities Waiting List.

Disciplinary Oversight Committee (R. 1:20-2)

Special Revenue Fund

This fund was established for the purpose of performing random audits of the books and records of New Jersey attorneys for compliance with standards established by the Supreme Court of New Jersey. Revenues are generated from annual attorney assessments paid by bar members. Each nonexempt member of the Bar is required to pay \$25 annually in their second year of practice and \$126 for attorneys in their third to forty-ninth year.

Division of Motor Vehicles Surcharge Fund (P.L. 1994, c.57)

Special Revenue Fund

This fund consists of surcharge and Unsafe Driver collections for the payment of principal and interest applicable to New Jersey Economic Development Authority bonds for the Market Transition Facility, Motor Vehicle Commission, Special Needs Housing Program, and Motor Vehicle Surcharge bonds. Excess funds are available for transfer to the State’s General Fund.

Dredging and Containment Facility Fund (P.L. 1996, c.70)

General Fund

An amount of \$185 million of General Obligation bonds was authorized for the construction of subaqueous pits, the construction of containment facilities, projects related to the decontamination of dredged materials, and dredging projects. Additionally, an amount of \$20 million of General Obligation bonds was authorized for the purpose of dredging navigation channels located in the port region.

Drinking Water State Revolving Fund (P.L. 1998, c.84)

Special Revenue Fund

This fund is the depository for the receipt of federal capitalization grants and other funds made available to the State for drinking water projects and set-asides pursuant to the Federal Safe Drinking Water Act.

1996 Economic Development Site Fund (P.L. 1996, c.70)

General Fund

An amount of \$20 million of General Obligation bonds was authorized for the purchase of real property, equipment, and any building, construction, and miscellaneous site improvements associated with an economic development site.

Emergency Flood Control Fund (P.L. 1978, c.78)

General Fund

An amount of \$25 million of General Obligation bonds was authorized to acquire, develop, construct, and maintain flood control facilities and for the development of a comprehensive flood control master plan.

Emergency Medical Technician Training Fund (P.L. 1992, c.143)

Special Revenue Fund

An amount of \$0.50 added to each fine, penalty, and forfeiture imposed and collected under authority of law for any violation of the provisions of Title 39 of the revised statutes or any other motor vehicle or traffic violation is deposited in this fund. This fund annually reimburses any private agency, organization, or entity which is certified by the Commissioner of Health and Senior Services to provide training and testing for volunteer ambulance, first aid, and rescue squad personnel who are seeking emergency medical technician-ambulance (EMT-A) or emergency medical technician-defibrillation (EMT-D) certification and/or recertification that are not otherwise reimbursed.

Emergency Services Fund (N.J.S.A. 52:14E-5)

General Fund

General Fund appropriations are credited to the fund and, on an as needed basis, reimburse municipalities or counties for damage or excess costs as a result of an emergency. Payments must be certified by the Governor's Advisory Council and approved by the Governor.

Energy Conservation Fund (P.L. 1980, c.68)

Capital Projects Fund

Of the \$50 million of General Obligation bonds that was authorized, \$3 million is appropriated for energy audits and \$47 million is appropriated for energy-saving renovations to educational facilities, institutions, and public buildings of the State.

Enterprise Zone Assistance Fund (P.L. 1983, c.303)

Special Revenue Fund

The purpose of this fund is to provide relief in certain areas of economic distress, by reducing Sales and Use Tax paid by up to one half of the current tax rate. The revenue generated in these zones is made available to the municipalities located within the Urban Enterprise Zones for various approved revitalization projects.

1996 Environmental Cleanup Fund (P.L. 1996, c.70)

General Fund

An amount of \$70 million of General Obligation bonds was authorized to provide for the remediation of hazardous discharge sites and for the construction of water supply facilities to replace potable water supplies determined to be contaminated or threatened by discharge.

1989 Farmland Preservation Fund (P.L. 1989, c.183)

General Fund

An amount of \$50 million of General Obligation bonds was authorized for the purpose of farmland preservation for agricultural use and production.

1992 Farmland Preservation Fund (P.L. 1992, c.88)

General Fund

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for farmland preservation and agricultural use.

1995 Farmland Preservation Fund (P.L. 1995, c.204)

General Fund

An amount of \$50 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of farmland preservation and agricultural use.

2007 Farmland Preservation Fund (P.L. 2007, c.119)

General Fund

An amount of \$73 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of farmland preservation. Of the amount authorized pursuant to this act, not more than 5 percent shall be utilized for administrative costs of the fund.

Fund for Support of Free Public Schools (N.J.S.A. 18A:56-1)

Special Revenue Fund

The fund consists of proceeds from the sale of riparian lands, rents received on leased riparian State lands, licenses and fees related to such lands, and the income from earnings on investments. Interest income supports General Fund appropriations set forth by the Annual Appropriations Act for the support of free public schools.

The fund provides for the establishment of a school bond reserve which consists of two accounts. For bonds issued prior to July 1, 2003, the old school bond reserve account is funded in an amount equal to at least 1.5 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes. For bonds issued on or after July 1, 2003, the new school bond reserve account is funded in an amount equal to at least 1.0 percent of the aggregate issued and outstanding bonded indebtedness of counties, municipalities, or school districts for school purposes, exclusive of bonds for debt service, which is provided by State appropriations.

Garden State Farmland Preservation Trust Fund (P.L. 1999, c.152)

Special Revenue Fund

The Garden State Farmland Preservation Trust Fund was authorized for the preservation of farmland for agricultural use and production. It receives funding from the Garden State Preservation Trust.

Garden State Green Acres Preservation Trust Fund (P.L. 1999, c.152)

Special Revenue Fund

The Garden State Green Acres Preservation Trust Fund was authorized for the acquisition and development of lands by the State for recreation and conservation purposes. It receives funding from the Garden State Preservation Trust.

Garden State Historic Preservation Trust Fund (P.L. 1999, c.152)

Special Revenue Fund

The Garden State Historic Preservation Trust Fund was authorized for the work relating to the conservation, improvement, repair, restoration, or stabilization of historic property. It receives funding from the Garden State Preservation Trust.

Garden State Preservation Trust (P.L. 1999, c.152)

Special Revenue Fund

The Trust was created to provide funding to the Garden State Farmland Preservation Trust Fund, the Garden State Green Acres Preservation Trust Fund, and the Garden State Historic Preservation Trust Fund for the preservation of open space, farmland and historic properties within the means provided by the 1998 constitutional amendment which dedicated \$98 million annually in Sales and Use Tax revenues for such purposes. In 2003, voters approved a new constitutional amendment, P.L. 2004, c.126 that granted the Garden State Preservation Trust the authorization to issue up to \$1.15 billion in bonds.

General Fund

This fund accounts for all State revenues not otherwise restricted by statute. The largest part of the total financial operations of the State is accounted for in the General Fund. Most revenues received from taxes, federal sources, and certain miscellaneous revenue items are recorded in this Fund. The Annual Appropriations Act enacted by the State Legislature provides the basic framework for the operations of the General Fund.

Global Warming Solutions Fund (P.L. 2007, c.340)

Special Revenue Fund

Revenue in this fund is generated quarterly from the sale of emission allowances. Disbursements are made to provide grants and financial assistance for efficiency projects and efforts to reduce greenhouse gases.

2007 Green Acres Fund (P.L. 2007, c.119)

General Fund

An amount of \$109 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 to provide monies for public acquisition and development of land for recreation and conservation purposes.

Green Trust Fund (P.L. 1983, c.354)

General Fund

An amount of \$83 million of General Obligation bonds was authorized from the 1983 New Jersey Green Acres Fund for the purpose of making loans and grants to local government units for the acquisition and development of lands for recreation and conservation.

Gubernatorial Elections Fund (N.J.S.A. 54A:9-25.1)

Special Revenue Fund

This fund accounts for receipts from the one dollar designation on New Jersey Gross Income Tax returns. When indicated by a taxpayer, one dollar of the tax is reserved from gross income tax revenues (Property Tax Relief Fund) and credited to the Gubernatorial Elections Fund. These funds are available for appropriation pursuant to The New Jersey Campaign Contributions and Expenditures Reporting Act, as amended.

Hazardous Discharge Fund of 1981 (P.L. 1981, c.275)

General Fund

An amount of \$100 million of General Obligation bonds was authorized for the identification, cleanup, and removal of hazardous discharges.

Hazardous Discharge Fund of 1986 (P.L. 1986, c.113)

General Fund

An amount of \$200 million of General Obligation bonds was authorized for the purpose of financing the cost of identification, cleanup, and removal of hazardous discharges.

Hazardous Discharge Site Cleanup Fund (P.L. 1985, c.247)

Special Revenue Fund

This fund was established for the purposes of preparing feasibility studies, engineering designs, and undertaking other work necessary for the cleanup or mitigation of hazardous discharge sites in the State. An amount of \$100 million was appropriated from the Hazardous Discharge Fund of 1981. Sources of revenue are comprised of collections for Natural Resources Damages (NRDs, or past costs in site cleanups) and Responsible Party (RP, or future site cleanup costs). Collections also include oversight bills for cleanup as well as legal settlements for past costs of cleanup.

Health Benefits Program Fund - Local Education (P.L. 2007, c.103)

Pension Trust Fund

The State of New Jersey provides medical and prescription drug coverage to members of the Public Employees' Retirement System, Teachers' Pension and Annuity Fund, and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the Prescription Drug Program coverage after 60 days of employment.

Health Benefits Program Fund – Local Government (N.J.S.A. 52:14-17.25 et seq.)

Pension Trust Fund

The Health Benefits Program Fund, which includes the Prescription Drug Program Fund (N.J.S.A. 52:14-17.29) provides medical and prescription drug coverage to active and retired local government employees who are qualified members of the Public Employees' Retirement System, Teachers' Pension and Annuity Fund, and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service or are on a disability retirement. Active employees may enroll in the preferred provider organization which includes two options named NJ DIRECT10 and NJ DIRECT15 or a health maintenance organization (HMO) plan. An HMO provides employees with complete coverage including wellness and preventative care for medical services provided by affiliated physicians and hospitals. NJ DIRECT is a preferred provider organization that combines managed care with the option of reimbursement for services performed by out of network physicians, hospitals, or laboratories. An active local employee or dependent is required to pay a co-payment when visiting an HMO or NJ DIRECT affiliated physician. The prescription drug program helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes, or other institutions. Included are those drugs which, as required by federal law, can be dispensed only upon a written prescription ordered by a physician. This program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment for eligible prescription and prescription refill. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents.

Health Benefits Program Fund – State (N.J.S.A. 52:14-14.25 et seq.)

Pension Trust Fund

The Health Benefits Program Fund, which includes the Prescription Drug Program Fund (N.J.S.A. 52:14-17.29), provides medical and prescription drug coverage to qualified active and retired State employees, including employees of certain independent agencies, such as colleges and universities. Active employees may enroll in NJ DIRECT15 or a health maintenance organization (HMO) plan. Most active employees pay 1.5 percent of salary for State Health Benefits Plan medical coverage regardless of the chosen plan or selected level of coverage. An HMO provides employees with complete coverage including wellness and preventive care for medical services provided by affiliated physicians and hospitals. NJ DIRECT15 is a preferred provider organization that combines managed care with the option of reimbursement for services performed by out of network physicians, hospitals, or laboratories. An active State employee or a dependent is required to pay a co-payment when visiting an HMO or NJ DIRECT15 affiliated physician. The prescription drug program helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes, or other institutions. Included are those drugs which, as required by federal law, can be dispensed only upon a written prescription ordered by a physician. This program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a co-payment for eligible prescription and prescription refill.

Under P.L. 1977, c.136, the State pays for the health insurance coverage including prescription drug coverage of all enrolled retired State employees whose pensions are based upon 25 years or more of credited service or a disability retirement regardless of years of service, if earned prior to July 1, 2007. State retirees who earn their 25 years after July 1, 2007 or go out on a disability retirement after July 1, 2007 are subject to a 1.5 percent of their pension allowance if they do not participate in the retiree wellness program. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents.

Health Care Subsidy Fund (P.L. 1992, c.160)

Special Revenue Fund

This fund is comprised of revenues from alcohol, cigarette and tobacco taxes, HMO assessments, hospital assessments, cosmetic surgery taxes, ambulatory facility fees, General Fund appropriations, interest, and penalties. Monies are used to distribute charity and other uncompensated care disproportionate share payments to hospitals; provide subsidies for the Family Care-CHIP program; and provide financial assistance for hospitals, other health care initiatives, and hospital bond assistance.

Higher Education Facility Renovation and Rehabilitation Fund (P.L. 1990, c.126)

General Fund

The sum of \$45 million of General Obligation bonds was appropriated from the Jobs, Education and Competitiveness Fund for the renovation and rehabilitation of existing higher education buildings at various State colleges and universities.

1992 Historic Preservation Fund (P.L. 1992, c.88)

General Fund

An amount of \$25 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax-exempt, non-profit organizations to meet the historic preservation project cost for historic properties, structures, facilities, or sites owned or leased on a long-term basis by those agencies, entities, units, or organizations.

1995 Historic Preservation Fund (P.L. 1995, c.204)

General Fund

An amount of \$10 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995. This fund provides matching grants to assist State agencies or entities, local government units, and qualified tax-exempt, non-profit organizations to meet historic preservation project costs.

2007 Historic Preservation Fund (P.L. 2007, c.119)

General Fund

An amount of \$6 million of General Obligation bonds was authorized from the Green Acres, Farmland, Blue Acres, and Historic Preservation Bond Act of 2007 for the purpose of providing State matching grants to assist State agencies or entities, local government units, and qualifying tax-exempt, non-profit organizations to meet the cost of preservation of historic properties.

Historic Preservation Revolving Loan Fund (P.L. 1991, c.41)

General Fund

The sum of \$3 million was appropriated to the Historic Preservation Revolving Loan Fund for the purpose of making low interest loans to counties, municipalities, or tax-exempt, non-profit organizations to finance the costs of acquiring, restoring, repairing, or rehabilitating historic structures.

Horse Racing Injury Compensation Fund (P.L. 1995, c.329)

Special Revenue Fund

The purpose of this fund is to provide workers' compensation coverage to employees in the thoroughbred and standardbred horse racing industries. The costs of providing coverage is funded from assessments to both the thoroughbred and standardbred industries based on their respective experience rating.

Housing Assistance Fund (P.L. 1968, c.127)

General Fund

An amount of \$12.5 million was authorized for interest rate subsidies on contracts and agreements with qualified mortgagors and mortgagees of housing developments to decrease rental and carrying charges to low and moderate income occupants of such housing, and to provide financial assistance to qualified housing developments that were constructed, financed, or rehabilitated under federal law and moderate income financing programs.

Human Services Facilities Construction Fund (P.L. 1984, c.157)

Capital Projects Fund

An amount of \$60 million of General Obligation bonds was authorized for the planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping of human services facilities.

Insurance Annuity Trust Fund (Superior Court of New Jersey, Law Division, Morris County Docket No. L-081390-83)

Private Purpose Trust Fund

This fund was established to account for deposits made by Western National Life Insurance Company or its assignees on behalf of the State of New Jersey resulting from a lawsuit filed against the State. Monies are held in trust on behalf of the claimant until such time the claimant is released from State care.

Jobs, Education and Competitiveness Fund (P.L. 1988, c.78)

General Fund

An amount of \$350 million of General Obligation bonds was authorized for the construction, reconstruction, development, extension, improvement, and equipment of classrooms, academic buildings, libraries, computer facilities, and other higher education buildings at New Jersey's public and private institutions of higher education; the establishment and construction of advanced technology centers at public and private institutions of higher education; and for the expansion and construction of additional facilities at, and acquisition of additional and upgraded equipment for, existing advanced technology centers sponsored by the New Jersey Commission on Science and Technology.

Judicial Retirement System (N.J.S.A. 43:6A)

Pension Trust Fund

This system provides pension benefits to members of the State Judiciary. The system is maintained on an actuarial reserve basis.

Judiciary Bail Fund (R.3:26)

Agency Fund

The purpose of this fund is to serve as a repository for the collection of bail, the return of bail to the surety, and the remittance of associated revenues to the proper governmental agency.

Judiciary Child Support and Paternity Fund (Social Security Act, Title IV-D, as amended)

Agency Fund

The purpose of this fund is to serve as a repository for the collection of child support obligations and the subsequent remittance to the proper recipients.

Judiciary Probation Fund (N.J.S.A. 2C:46-4)

Agency Fund

The purpose of this fund is to serve as a repository for the collection and disbursement of court imposed financial obligations associated with the statewide probation function.

Judiciary Special Civil Fund (R.6)

Agency Fund

The purpose of this fund is to serve as a repository for the collection and disbursement of funds collected by the Special Civil Part of the Superior Court of New Jersey.

Judiciary Superior Court - Miscellaneous Fund (N.J. Court Rules, Parts II, IV, V, VI, VIII)

General Fund

The purpose of this fund is to serve as a repository for the collection and disbursement of various fees, fines, and costs collected by court divisions of the Superior Court of New Jersey. These monies are separate and distinct from those included under the Superior Court of New Jersey Trust Fund.

Korean Veterans' Memorial Fund (P.L. 1996, c.72)

Special Revenue Fund

The Korean Veterans' Memorial Fund is credited with funds collected by the Korean Veterans' Memorial Committee as well as income tax designations. The purpose of this fund is to provide maintenance to the memorial which is located in Atlantic City.

1996 Lake Restoration Fund (P.L. 1996, c.70)

General Fund

An amount of \$5 million of General Obligation bonds was authorized for the removal of sand, silt, mud, sediment, rocks, stumps, vegetation, algae blooms, or other materials from lakes, or the abatement and control of pollution caused by storm water runoff, soil erosion, or other types of non-point source or point source pollution.

Lead Hazard Control Assistance Fund (P.L. 2003, c.311)

Special Revenue Fund

This fund was established for the purpose of providing grants or loans to eligible homeowners to make their homes lead-safe. Funds are received from various sources, including a \$20 fee assessed to homeowners of multiple dwelling units and a portion of the Sales and Use Tax generated on the sale of paint.

Legal Services Fund (P.L. 1996, c.52)

Special Revenue Fund

Revenues generated from the increase in certain filing fees in civil actions are credited to the fund and are used to provide legal services to the poor in civil matters, funding for ten Superior Court judgeships, and support to Rutgers-Newark Law School, Rutgers-Camden Law School, and Seton Hall Law School for clinical programs which provide free legal representation to the poor.

Long Term Obligation and Capital Expenditure Fund (P.L. 2008, c.22)

General Fund

Monies remaining in the fund have been appropriated for various capital construction projects throughout the State.

Luxury Tax Development Fund (N.J.S.A. 40:48-8.30a (B))

Agency Fund

This fund was established for the deposit of Luxury Tax revenues in excess of statutory requirements. Development funds are dedicated for various housing projects in Atlantic City.

Luxury Tax Fund (N.J.S.A. 40:48-8.30a (B), (P.L. 1991, c.375)

Special Revenue Fund

This fund accounts for tax revenues collected on rooms, beverages, and amusements. These tax revenues are dedicated to the payment of debt service on bonds issued for the construction of the Convention Hall facilities, then to subsidize the Convention Center operating budget deficits. The remaining balances are available to provide housing opportunities for low and moderate income families.

Mortgage Assistance Fund (P.L. 1976, c.94)

General Fund

An amount of \$25 million of General Obligation bonds was authorized for mortgage assistance and to spur construction, rehabilitation, and maintenance of housing for senior citizens and families of low and moderate income, and to provide funds for second mortgages and for a neighborhood preservation program.

Motor Vehicle Commission Fund (P.L. 2003, c.13)

Capital Projects Fund

The Motor Vehicle Security and Customer Service Act created the Motor Vehicle Commission Fund which authorized the issuance of \$160 million in installment obligation bonds. An amount of \$10 million was transferred to the Administrative Office of the Courts for improvements to the automated traffic system. The remainder was used to make capital improvements to Motor Vehicle Commission facilities.

Motor Vehicle Security Responsibility Fund (N.J.S.A. 39:6-30.1)

Private Purpose Trust Fund

Security deposits made by motorists not having the required minimum motor vehicle insurance coverage in the State, who have been involved in a motor vehicle accident resulting in bodily injury or death and/or property damage, are recorded in this fund. The deposits may be disbursed in satisfaction of judgments rendered or returned to the motorist upon release of liability.

Municipal Landfill Closure and Remediation Fund (P.L. 1996, c.124)

Special Revenue Fund

This fund is dedicated for the purpose of reimbursing a developer who enters into a certified redevelopment agreement related to the closure, remediation, and redevelopment of municipal landfill sites. Costs of the closure and remediation of the municipal solid waste landfill may be eligible for a 75.0 percent reimbursement upon the commencement of a business operation within a redevelopment project. The reimbursements are made from designated Sales and Use Tax collections.

Natural Resources Fund (P.L. 1980, c.70)

General Fund

An amount of \$145 million of General Obligation bonds was authorized to fund state and local projects for resource recovery, sewage treatment, water supply, dam restoration, and harbor clean-up projects.

New Home Warranty Security Fund (N.J.S.A. 46:3B-7)

Special Revenue Fund

Monies received from participating builders of dwellings not previously occupied, excluding those constructed solely for lease, are deposited into this fund. Payments are authorized by approved claims of owners for defects in new homes covered by the new home warranty.

New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation Fund (P.L. 1989, c.180)

Capital Projects Fund

An amount of \$115 million of General Obligation bonds was authorized for the purposes of rehabilitating and improving bridges in the State and the preservation and acquisition of railroad rights-of-way.

New Jersey Building Authority (N.J.S.A. 52:18A-78.4)

Special Revenue Fund

The New Jersey Building Authority is authorized to construct and rehabilitate office buildings and related facilities for use by State agencies. The Authority is authorized to issue bonds and notes to provide funds for the construction and the rehabilitation of the projects. Debt service on outstanding bonds is paid through lease agreements with the State.

1995 New Jersey Coastal Blue Acres Trust Fund (P.L. 1995, c.204)

General Fund

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of providing State grants and loans to assist local government units to meet the coastal blue acres cost of acquiring, for recreation and conservation purposes, lands in the coastal area that have been damaged by, or may be prone to incurring damage caused by, storms or storm-related flooding, or may buffer or protect other lands from such damage.

New Jersey Cultural Trust Fund (P.L. 2000, c.76)

General Fund

This fund annually receives a General Fund appropriation. The appropriation, as well as accumulated investment earnings, shall be used for capital facilities projects that improve cultural or historical properties and facilities; endowment development; and payments to ensure the institutional and financial stability of qualified organizations in New Jersey. A qualified organization is defined as a tax-exempt, non-profit organization whose primary mission is to promote the performing, visual, and creative arts in New Jersey, or to promote or preserves history and humanities in New Jersey.

New Jersey Federal-State Rural Rehabilitation Fund (N.J.S.A. 52:18A-1 et seq.)

General Fund

This fund was established to receive monies from the federal government which are available for loans to farmers in New Jersey.

1989 New Jersey Green Acres Fund (P.L. 1989, c.183)

General Fund

An amount of \$90 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for State grants to assist local governmental entities to acquire and develop land for recreation and conservation purposes.

1992 New Jersey Green Acres Fund (P.L. 1992, c.88)

General Fund

An amount of \$80 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of acquiring and developing land by the State for recreation and conservation purposes.

1995 New Jersey Green Acres Fund (P.L. 1995, c.204)

General Fund

An amount of \$115 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

1989 New Jersey Green Trust Fund (P.L. 1989, c.183)

General Fund

An amount of \$140 million of General Obligation bonds was authorized from the 1989 Open Space Preservation Bond Act to provide monies for public acquisition and development of land for recreation and conservation purposes.

1992 New Jersey Green Trust Fund (P.L. 1992, c.88)

General Fund

An amount of \$120 million of General Obligation bonds was authorized from the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 for the purpose of providing State grants and loans to assist local governmental entities to acquire and develop land for recreation and conservation.

1995 New Jersey Green Trust Fund (P.L. 1995, c.204)

General Fund

An amount of \$135 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 to provide monies for public acquisition and development of land for recreation and conservation purposes.

1995 New Jersey Inland Blue Acres Fund (P.L. 1995, c.204)

General Fund

An amount of \$15 million of General Obligation bonds was authorized from the Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 for the purpose of acquiring inland blue acres for recreation and conservation purposes and lands in the floodway of the Passaic River and its tributaries that have been damaged by, or may be prone to incurring damage caused by, storms or storm related flooding, or that may buffer or protect other lands from such damage.

New Jersey Lawyers' Assistance Program (R. 1:28B)

Special Revenue Fund

This fund provides assistance to members of the New Jersey Bar, law students, and law school graduates who have an alcohol, drug abuse, and/or gambling problems. Each nonexempt member of the Bar is required to pay \$10 annually.

New Jersey Lawyers' Fund for Client Protection (R. 1:28-7)

Special Revenue Fund

This fund was established for the purpose of reimbursing, to the extent and in the manner provided by rules and regulations, losses resulting from dishonest conduct by members of the Bar of the State of New Jersey. Annual payments are made to this fund by each member of the Bar of the State of New Jersey. The annual payment required is \$25 for attorneys in their third or fourth year of admission to the Bar, and \$50 for attorneys in their fifth through forty-ninth years.

New Jersey Local Development Financing Fund (N.J.S.A. 34:1B-36)

General Fund

An amount of \$45 million of General Obligation bonds was authorized to capitalize the New Jersey Local Development Financing Fund. The fund provides financial assistance to municipal governments, local development corporations, and other organizations sponsoring commercial and industrial projects which encourage municipal economic development.

New Jersey Racing Industry Special Fund (P.L. 2001, c.199)

Special Revenue Fund

The New Jersey Racing Industry Special Fund accounts for inactive or dormant wagering accounts, breakage and outstanding pari-mutuel money exceeding required racing costs, and the excess takeout rate. Money deposited shall be disbursed monthly by the New Jersey Racing Commission primarily to those holding permits to conduct horse racing.

New Jersey Schools Development Authority

Special Revenue Fund

The New Jersey Schools Development Authority, as successor to the New Jersey Schools Construction Corporation, functions solely for the construction of schools in areas formerly known as “Abbott Districts.” The New Jersey Schools Development Authority is an independent authority that is in, but not of, the Department of the Treasury. Legislation that established the New Jersey Schools Development Authority encompassed a package of statutory amendments on program and governance reform. The New Jersey Economic Development Authority is responsible for financing New Jersey Schools Development Authority projects. The New Jersey Economic Development Authority has been legislatively authorized to issue \$12.5 billion of bonds on behalf of the New Jersey Schools Development Authority.

In 1998, the New Jersey Supreme Court ruled in the Abbott v. Burke case that the State must provide 100 percent funding for all school renovation and construction projects in special-needs school districts. According to the Court, aging, unsafe and overcrowded buildings prevented children from receiving the “thorough and efficient” education required under the New Jersey Constitution. In response, the New Jersey Educational Facilities Construction and Financing Act was enacted on July 18, 2000, in order to create the New Jersey Schools Construction Corporation to effectively launch the School Construction Program. Full funding for approved projects was authorized for the 31 special-needs districts, known as Abbots. Grants totaling 40 percent of eligible costs were made available to the remaining districts, now known as Regular Operating Districts. Overall, the act authorized \$9.9 billion in funding for the Abbots districts, \$2.5 billion for Regular Operating Districts, and \$100 million for vocational districts.

New Jersey Spill Compensation Fund (N.J.S.A. 58:10-23.11i)

Special Revenue Fund

Receipts from taxes and penalties levied on each owner or operator of a major facility of hazardous substances are deposited in this fund. The tax is measured by the number of barrels of hazardous substances of the first transfer to the major facility. Payments may be authorized for clean-up costs, removal costs, research, and payments of approved claims.

New Jersey Spinal Cord Research Fund (P.L. 1999, c.201)

Special Revenue Fund

A \$1 surcharge on motor vehicle fines and penalties are credited to this fund. Money collected shall be used exclusively for the purpose of making grants for approved spinal cord research projects at qualified research institutions.

New Jersey State Employees' Deferred Compensation Plan (N.J.S.A. 52:18A-164)

Pension Trust Fund

This fund represents the activity of the deferred compensation plan by which amounts contributed by participating employees are invested through various investment options. Included in the fund are those amounts contributed by participants through payroll withholding, plus investment earnings and appreciation in asset values related to those monies.

New Jersey Transportation Trust Fund Authority (N.J.S.A. 27:1B-4)

Special Revenue Fund

The New Jersey Transportation Trust Fund Authority was created to provide the payment for and financing of all, or a portion of, the costs incurred by the Department of Transportation and the New Jersey Transit Corporation for the planning, acquisition, engineering, construction, reconstruction, repair, and rehabilitation of the State's transportation system.

New Jersey Workforce Development Partnership Fund (P.L. 1992, c.44)

Special Revenue Fund

This fund was established to provide qualified displaced, disadvantaged, and employed workers with employment and training services most likely to provide the greatest opportunity for long range career advancement with high levels of productivity and earning power. The program shall provide those services by means of training grants or customized training services, provided the funding is not available from federal or other sources. Each worker and employer shall contribute to the fund an amount equal to 0.025 percent of the workers' wages based on an annual wage limit. These funds will reduce contributions to the Unemployment Compensation Fund.

Pension Adjustment Fund (N.J.S.A. 43:3B)

Agency Fund

The Pension Adjustment Fund (PAF) is a pay-as-you-go multiple-employer defined benefit plan which was established in 1958 under the provisions of N.J.S.A. 43:3B. The PAF provides a cost-of-living increase through a yearly State appropriation which is disbursed monthly to the Consolidated Police and Firemen's Pension Fund, Prison Officers' Pension Fund, and the Central Pension Fund.

Petroleum Overcharge Reimbursement Fund (P.L. 1987, c.231)

Special Revenue Fund

The Petroleum Overcharge Reimbursement Fund accounts for monies received by the State from the federal government pursuant to court settlements with various petroleum companies and distributors as payments for overcharges for petroleum products. Appropriations are made from the fund for energy efficiency and conservation programs.

Pinelands Infrastructure Trust Fund (P.L. 1985, c.302)

General Fund

An amount of \$30 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local governmental entities for transportation, wastewater treatment, water supply, and other infrastructure capital projects necessary to accommodate development in the pinelands area.

Police and Firemen's Retirement System (N.J.S.A. 43:16A)

Pension Trust Fund

All police and firemen, appointed after June 1944 in municipalities where local police and firemen pension funds existed or where this system was adopted by referendum or resolution, are required to become members of this system. Certain State and county employees are also covered. Employer obligations are paid by the local employers and the State. This fund is maintained on an actuarial reserve basis.

Pollution Prevention Fund (P.L. 1991, c.235)

Special Revenue Fund

This fund was established to fund the implementation of a comprehensive pollution prevention program which integrates the air pollution, water pollution, and hazardous waste management programs. The fund is credited with a \$2 per employee fee imposed upon employers and collected by the New Jersey Department of Labor.

Prison Officers' Pension Fund (N.J.S.A. 43:7)

Pension Trust Fund

This is a closed system for certain employees of State penal institutions and is funded on a pay-as-you-go basis.

Property Tax Relief Fund (N.J.S.A. 54A:9-25)

Special Revenue Fund

This fund accounts for revenues from the New Jersey Gross Income Tax and a portion of the New Jersey Sales and Use Tax. Revenues realized are dedicated by the State Constitution. All receipts from taxes levied on personal income of individuals, estates, and trusts must be appropriated exclusively for the purpose of reducing or offsetting property taxes. P.L. 2006, c.44 increased the Sales and Use Tax rate to seven percent from six percent. Of the additional one percent, one half of a percent was dedicated to the Property Tax Relief Fund. Annual appropriations are made from the fund, pursuant to formulas established by the State Legislature, to counties, municipalities, and school districts.

Public Employees' Retirement System (N.J.S.A. 43:15A)

Pension Trust Fund

Most public employees in New Jersey, not required to become members of another contributory retirement program, are required to enroll in this system. The retirement benefits of this system are coordinated, but not integrated, with Social Security. This fund is maintained on an actuarial reserve basis.

Public Purpose Buildings and Community-Based Facilities Construction Fund (P.L. 1989, c.184)

Capital Projects Fund

An amount of \$125 million of General Obligation bonds was authorized for the purpose of planning, construction, reconstruction, development, erection, acquisition, extension, improvement, rehabilitation, and equipping the State and community-based human services facilities and State correctional facilities.

Public Purpose Buildings Construction Fund (P.L. 1980, c.119)

Capital Projects Fund

An amount of \$159 million of General Obligation bonds was authorized for construction of public purpose buildings, including \$50 million for facilities for the mentally retarded, \$67 million for correctional facilities, \$7 million for a veterans' long-term care facility, \$3.5 million for facilities for children in need of supervision, and \$21.5 million for facilities for the mentally ill. The fund also provided \$10 million to the Department of Human Services for the establishment of a loan guarantee fund to encourage the construction of long-term care facilities that provide Medicaid funded beds.

Real Estate Guaranty Fund (N.J.S.A. 45:15-34)

Special Revenue Fund

Monies received from additional fees on annual licenses of real estate brokers and real estate salesmen are deposited in this fund. Claim payments, as certified by court orders, are made to persons aggrieved by the embezzlement, conversion, or unlawful obtaining of money or property by a licensed real estate broker or a real estate salesman, or an unlicensed employee of a real estate broker.

Remediation Guarantee Fund (P.L. 1993, c. 139)

General Fund

The fund was established in order to remediate, or contract for the remediation of, any real property for which a person was required to establish a remediation funding source pursuant to section 25 of P.L. 1993, c.139, and where that person fails to conduct or properly conduct that remediation. An amount of \$5 million was appropriated from the Hazardous Discharge Fund of 1986.

Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c.330)

General Fund

An amount of \$85 million of General Obligation bonds was authorized to provide funds for loans or grants to local government units for the construction of resource recovery facilities and environmentally sound sanitary landfill facilities.

Resource Recovery Investment Tax Fund (P.L. 1985, c.38)

Agency Fund

Receipts generated by the investment tax and waste importation tax plus any interest earned thereon, levied upon all owners or operators of sanitary landfill facilities who accept solid waste for disposal, are deposited in this fund. The revenues are then allocated to counties based on statutory regulations.

Safe Drinking Water Fund (N.J.S.A. 58:12A-12)

Special Revenue Fund

This fund accounts for tax revenues collected from owners or operators of public community water systems pursuant to the Safe Drinking Water Act. Monies in this fund are subject to appropriation to the Department of Environmental Protection for all costs associated with the department's administration of programs set forth in the Act.

Sanitary Landfill Facility Contingency Fund (N.J.S.A. 13:1E-100)

Special Revenue Fund

Receipts from taxes and penalties levied upon each owner or operator of every sanitary landfill facility are deposited in this fund. The tax is levied per cubic yard of solids and per gallon of liquids. The fund shall be liable for all direct and indirect damages resulting from the operations or closure of any sanitary landfill.

Shore Protection Fund (P.L. 1983, c.356)

General Fund

An amount of \$50 million of General Obligation bonds was authorized for the purpose of State projects and the making of State grants and loans to counties and municipalities for researching, planning, acquiring, developing, constructing, and maintaining shore protection projects. Of the total available, \$40 million was allocated for State shore protection projects and for State grants to counties and municipalities. The remaining \$10 million was allocated for State loans to counties and municipalities.

Solid Waste Service Tax Fund (P.L. 1985, c.38)

Agency Fund

Receipts generated by the solid waste services tax plus any interest earned thereon, levied upon all owners or operators of sanitary landfill facilities who accept solid waste for disposal, are deposited in this fund. The revenues are then allocated to provide state aid to counties.

Special Transportation Fund (N.J.S.A. 27:1B-21)

Capital Projects Fund

This fund was established in accordance with the enactment provisions of the New Jersey Transportation Trust Fund Authority. The fund accounts for the receipt of resources from the New Jersey Transportation Trust Fund Authority and related federal grant awards, and the expenditure of these funds for authorized public transportation projects. The funds can only be expended by the Department of Transportation pursuant to appropriations or authorizations made by the State Legislature.

State Disability Benefit Fund (N.J.S.A. 43:21-46a)

Special Revenue Fund

Worker and employer deposits that are subject to the contribution section on taxable wages under the State's unemployment compensation law are recorded in this fund. Deposits are also made from special assessments, fines, penalties, and investment earnings. Payments from the fund may be made to persons entitled to disability benefits, family leave benefits, and benefits not covered by the Workers' Compensation Law, for authorized refunds of contributions, and for administrative expenses.

State Facilities for Handicapped Fund (P.L. 1973, c.149)

Capital Projects Fund

An amount of \$25 million of General Obligation bonds was authorized for the expansion and renovation of the Marie H. Katzenbach School for the Deaf and for the planning, acquisition, improvements, and construction of regional day-school facilities to educate children with severe handicaps.

State Land Acquisition and Development Fund (P.L. 1978, c.118)

General Fund

An amount of \$200 million of General Obligation bonds was authorized for State and local acquisition and development to continue efforts to conserve open space and provide recreation areas. Half of the amount is allocated to urban areas.

State Lottery Fund (N.J.S.A. 5:9-21)

Proprietary Fund

Monies derived from the sale of State lottery tickets are deposited into this fund. Disbursements are authorized for the payment of prizes to holders of winning lottery tickets and for the administrative expenses of the Division of State Lottery. Remaining balances are paid to the General Fund in support of the amounts annually appropriated for State institutions and for education. The present value of obligations for future installment payments of lottery prizes funded by the purchase of deposit fund contracts are accounted for in this fund.

State of New Jersey Cash Management Fund-External Portion (N.J.S.A. 52:18A-90.4)

Investment Trust Fund

This fund serves as an investment pool to consolidate monies for municipalities, counties, school districts, and any other public body corporate or politic.

State of New Jersey Tischler Memorial Fund (N.J.S.A. 52:18A-1 et seq.)

General Fund

This fund was established under the authority of the State Treasurer in accordance with the terms of a bequest to the State of New Jersey. The principal amount of the bequest is to be invested in a prudent manner and the income from such investment is to be used for library materials.

State-Owned Real Property Fund (P.L. 2007, c.108)

Special Revenue Fund

Proceeds from the sale of surplus, State-owned real property are deposited into this fund. The monies in the fund are dedicated only for the relief of State debt or to assist in funding capital improvement projects.

State Police Retirement System (N.J.S.A. 53:5A)

Pension Trust Fund

This system is the State Police Retirement and Benevolent Fund's successor. All uniformed officers and troopers of the Division of State Police in the New Jersey Department of Law and Public Safety are required to enroll. This system is maintained on an actuarial reserve basis.

State Recycling Fund (N.J.S.A. 12:1E-92)

Special Revenue Fund

Beginning on April 1, 2008, a \$3.00 per ton tax is levied on the owner or operator of every solid waste facility as well as on solid waste collectors that transport solid waste for out-of-state disposal. Monies in the fund are used for: direct recycling grants to counties and municipalities; aid to counties for preparing, revising, and implementing solid waste management plans; State recycling program planning and program funding; aid to counties for public information and education programs concerning recycling programs; and for State grants to institutions of higher education to conduct research in recycling.

1999 Statewide Transportation and Local Bridge Fund (P.L. 1999, c.181)

Capital Projects Fund

An amount of \$500 million of General Obligation bonds was authorized for the purpose of rehabilitating and improving State transportation, including local bridges. Of this sum, \$250 million was reserved for grants to county and municipal governments for the cost of rehabilitation and improvement of structurally deficient bridges carrying county or municipal roads including railroad overhead bridges. The remaining \$250 million is reserved for transportation projects.

Stormwater Management and Combined Sewer Overflow Abatement Fund (P.L. 1989, c.181)

General Fund

An amount of \$50 million of General Obligation bonds was authorized for the purpose of providing grants and loans to local government units for the cost of projects identified pursuant to the stormwater management and combined sewer overflow abatement project priority list.

Superior Court of New Jersey Trust Fund (R. 4:57-2 to 5)

Special Revenue Fund

This fund accounts for monies representing deposits made in court as a result of litigation, including foreclosures, condemnations, liquidations, dissolutions, good faith deposits by liability insurers, sale of infants' lands, insolvencies, receiverships, and interpleaders. Disbursements from the fund are authorized by court order.

Supplemental Annuity Collective Trust (N.J.S.A. 52:18A-110)

Pension Trust Fund

Any active, contributing member of several State-administered retirement systems may enroll in this program. Members agree to make voluntary additional contributions through their pension funds to purchase variable retirement annuities in order to supplement the benefits provided by their basic system. Some employers agree to purchase tax-sheltered annuities for the same purpose for certain eligible public employees.

Supplemental Workforce Fund for Basic Skills (P.L. 2002, c.152)

Special Revenue Fund

The monies in this fund are used for basic skills training, reemployment services, and training programs for displaced and disadvantaged workers. Each worker shall contribute 0.0175 percent of their wages based on an annual wage limit to the Fund as determined by paragraph (3) of subsection (b) of R.S. 43:21-7.

Teachers' Pension and Annuity Fund (N.J.S.A. 18A-66)

Pension Trust Fund

This fund's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the fund is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional, and certified. This fund is maintained on an actuarial reserve basis.

Tobacco Settlement Financing Corporation (P.L. 2002, c.32)

Special Revenue Fund

The Tobacco Settlement Financing Corporation, Inc. has been established in, but not of, the Department of the Treasury. The State sold to the corporation rights, title, and interest in, and the right to receive 76.26 percent of the amounts payable under the 1998 Master Settlement Agreement (MSA) reached between 46 states and the major tobacco companies. Receipts (76.26 percent) under the MSA are pledged to the bondholders, with the remaining 23.74 percent as well as any unpledged revenue available to the State.

Tobacco Settlement Fund (General Provisions of Annual Appropriations Act)

Special Revenue Fund

Receipts equaling 23.74 percent as well as any unpledged revenues from the Master Settlement Agreement (MSA) reached between 46 states and the major tobacco companies are deposited into this fund and made available to the General Fund.

Tourism Improvement and Development Fund (P.L. 1992, c.165)

Special Revenue Fund

This fund accounts for a tax of up to 2 percent on predominantly tourism related retail receipts and an assessment of 1.85 percent. Amounts are expended to promote economic growth and employment related to a tourism economy, and to encourage tourism improvement and development districts to finance the acquisition, maintenance, operation, and support of convention center facilities.

Trial Attorney Certification Program (R. 1:39-1 (h))

Special Revenue Fund

This fund was established to assist the New Jersey Supreme Court in the administration of the certification function for civil or criminal trial attorneys. Revenues are generated by payments made by members of the Bar of the State of New Jersey and sponsors of Continuing Legal Education (CLE) programs.

Unclaimed Child Support Trust Fund (P.L. 1995, c.115)

Special Revenue Fund

All monies received, as abandoned child support are deposited into this fund. Each year, 45 days after the receipt of such funds, payments are made to the Judiciary consisting of the Federal Government's Title IV-D share. The remaining portions are used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

Unclaimed County Deposits Trust Fund (P.L. 1992, c.173)

Private Purpose Trust Fund

All monies received as unclaimed county deposits are deposited in this fund. Each year 75 percent of the deposits received from a respective county are paid to that county. The remaining portion is retained in the fund and used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

Unclaimed Insurance Payments on Deposit Accounts Fund

Private Purpose Trust Fund

The Unclaimed Deposits Amendment Act of 1993 (UDAA) controls the disposition of unclaimed insurance payments on deposit accounts for insured depository institutions which are placed into receivership after July 28, 1993. Pursuant to the UDAA, unclaimed insurance deposits are placed into this fund and held for ten years. Payments will be made to the owner upon determining that such individual or entity is the rightful owner of such funds. At the end of the ten-year period, any remaining deposits will be forwarded to the Federal Deposit Insurance Corporation.

Unclaimed Personal Property Trust Fund (P.L. 1989, c.58)

General Fund

The funds received by the State from holders reporting unclaimed property to the State Treasurer, and monies remitted to the Unclaimed Property administrator as a result of audit findings, are deposited into the Unclaimed Personal Property Trust Fund (UPPTF). The Unclaimed Property program established by the State Legislature essentially provides that after certain periods of time have expired during which monies have remained inactive or unclaimed or instruments have remained outstanding or unnegotiated, a presumption arises that the property has been abandoned. The abandonment period for bank accounts (savings, checking, and certificates of deposit), bank checks, money orders, travelers checks, credits, accounts payable, and dividend checks is three years. Payroll checks, utility deposits, and funds held by governmental agencies are deemed abandoned after one year. Insurance funds relating to annuities and matured life insurance policies are considered abandoned after three years. Life insurance proceeds payable as a result of an insured attaining limiting age are abandoned after two years.

Once unclaimed property is received by the State, the State Treasurer serves as the custodian, conservator, and trustee of the unclaimed property for the benefit of the original or apparent owner. Unless the administrator deems it prudent and advisable to do otherwise, 75 percent of all funds received shall be transferred to the General State Fund. The remaining portion shall be retained in the trust fund, administered and invested by the State Treasurer, and used to pay claims duly presented and allowed and all expenses and costs incurred by the State of New Jersey.

Unclaimed Utility Deposits Trust Fund (P.L. 2000, c.132)

Special Revenue Fund

All monies received in unclaimed property deposits from electric and gas utilities are deposited into this fund. Each year, unless the administrator deems it prudent and advisable to do otherwise, the administrator shall pay to the New Jersey Statewide Heating Assistance and Referral for Energy Services, a non-profit corporation, or to another statewide non-profit energy assistance organization designated by the Board of Public Utilities within 45 days of the receipt of such funds, 75.0 percent of the unclaimed utility deposits received from each of the electric and gas utilities by the administrator. Money received from the administrator shall be used exclusively for the payment of expenses associated with the restoration of electric or gas service, or to prevent the termination of electric or gas service. The remaining portion is retained in the fund and used to pay claims duly presented and allowed.

Unemployment Compensation Auxiliary Fund (N.J.S.A. 43:21-14g)

Special Revenue Fund

Amounts collected as penalties and interest assessed against employers who have failed to make payment of contributions required under the Unemployment Compensation Law to the State on a timely basis are deposited in this fund. Payments from the fund are authorized for the refund of any interest and/or penalty credited hereto, determined to have been collected or remitted by mistake. The remaining amounts may be expended by appropriations for administrative costs of the Unemployment Compensation Law and for costs of programs which generate employment, such as the Work Incentive Program, authorized training programs, and economic development activities.

Unemployment Compensation Fund (N.J.S.A. 43:21-9a)

Proprietary Fund

This fund accounts for monies deposited from contributions of employers and employees for unemployment compensation, amounts credited or advances made by the federal government, and amounts received herein from any other source.

After consideration is given to any claim for refund of overpayment of contributions, the remainder is transferred by the Division of Employment Security to the Treasurer of the United States for credit to the State of New Jersey Unemployment Compensation Fund and held by the Treasurer of the United States in the State of New Jersey Unemployment Trust Fund. Drawdowns against the State of New Jersey Unemployment Trust Fund are made by requests submitted to the Treasurer of the United States by the Division of Employment Security on an as-needed basis, whereby amounts are transferred back to the Unemployment Compensation Fund and are then disbursed by the Division of Employment Security to persons entitled to receive unemployment benefits.

Any shortfall in the Unemployment Compensation Fund needed to pay benefits is covered by federal statutes, which authorize advances from the federal government for unemployment benefits. Such advances are repayable by increased rates on federally taxable wages reported by New Jersey employers, or the advances may be repaid out of the fund assets at any time by the Governor.

Unemployment Compensation Interest Repayment Fund (N.J.S.A. 21-14.3)

Special Revenue Fund

This fund shall be used solely for the purpose of paying interest due on advances made by the federal government to the State of New Jersey Unemployment Trust Fund. A special assessment on applicable employers shall be deposited into this fund and used to pay interest expenses. Any residual balances may be transferred to the Unemployment Compensation Auxiliary Fund.

Universal Services Fund (P.L. 1999, c.23)

Special Revenue Fund

Monies deposited into this fund are generated from a “societal benefit charge” on monthly utility bills. The funds generated from the charge support the Lifeline program, clean energy initiatives, and provide financial assistance to low income utility customers.

University of Medicine and Dentistry of New Jersey - Self-Insurance Reserve Fund (N.J.S.A. 52:18A-1 et seq.)

Special Revenue Fund

This fund was established by a trust agreement between the State and the University of Medicine and Dentistry of New Jersey to cover malpractice claims against the hospitals and the University. This insurance is required by the New Jersey Health Care Facilities Financing Authority for protection of the Authority's bondholders. Revenues are derived from General Fund appropriations, as well as contributions from University affiliated hospitals and from University faculty members.

Urban and Rural Centers Unsafe Buildings Demolition Revolving Loan Fund (P.L. 1997, c.125)

General Fund

An amount of \$20 million of General Obligation bonds was authorized to provide financing for the demolition and disposal of unsafe buildings in urban and rural centers.

Vietnam Veterans' Memorial Fund (P.L. 1985, c.494)

Special Revenue Fund

This fund receives monies from donations and income tax designations to fund the Vietnam Veterans' Memorial honoring New Jersey veterans of the Vietnam conflict.

Volunteer Emergency Service Organizations Loan Fund (P.L. 1987, c.8)

Special Revenue Fund

The purpose of this fund is to provide low-interest loans to volunteer emergency service organizations for the purpose of modernizing or replacing outmoded or unsafe emergency vehicles, apparatus, equipment, or facilities, or to establish facilities to meet an increasing demand for a higher level of service in the communities in which they serve. Revenues consist of General Fund appropriations and interest on loan repayments.

Wage and Hour Trust Fund (N.J.S.A. 34:11-57)

Agency Fund

The Wage and Hour Trust Fund consists of four agency accounts which are used to collect wage settlements from employers who are deemed to have violated one or more, of the various components of the New Jersey Wage and Hour Law; and, to disburse the funds collected to employees who are entitled to receive the wages.

Wastewater Treatment Fund (P.L. 1985, c.329)

Special Revenue Fund

An amount of \$190 million of General Obligation bonds was authorized for the purpose of financing the cost of construction of wastewater treatment systems. Of the total amount authorized, \$145 million is allocated for the purpose of making grants and low or zero interest loans to local government units for financing the cost of the construction of wastewater treatment systems. In addition, this fund is the depository for the receipt of federal capitalization grants made available to the State for the purpose of financing wastewater treatment systems.

1992 Wastewater Treatment Fund (P.L. 1992, c.88)

General Fund

An amount of \$45 million was authorized for the purpose of making zero percent loans to local governmental entities for wastewater treatment system projects, in order to bring such systems into full compliance with permits issued pursuant to the Water Pollution Control Act; to provide adequate wastewater treatment in areas where large numbers of septic systems have malfunctioned or become obsolete; or to connect an obsolete or malfunctioning wastewater treatment system to another wastewater treatment system.

Water Conservation Fund (P.L. 1969, c.127)

General Fund

An amount of \$271 million of General Obligation bonds was authorized to conduct research, plan, acquire, develop, construct, and maintain water supply and wastewater treatment facilities for the preservation, sale, or exchange of water for potable, industrial, commercial, irrigational, recreational, and other public purposes.

2003 Water Resources and Wastewater Treatment Fund (P.L. 2003, c.162)

General Fund

An amount of \$45 million of General Obligation bonds was authorized to provide loans to, or on behalf of, local governmental entities or public water utilities to finance the costs of water resources projects or to make improvements to water supply facilities, or to provide loans to, or on behalf of, local governmental entities to finance the costs of wastewater treatment system projects.

Water Supply Fund (P.L. 1981, c.261)

General Fund

An amount of \$350 million of General Obligation bonds was authorized to provide loans for State or local projects for the rehabilitation, repair, or consolidation of antiquated, damaged, or inadequately operating water supply facilities, as recommended by the New Jersey Water Supply Master Plan.

Water Supply Replacement Trust Fund (P.L. 1988, c.106)

Special Revenue Fund

P.L. 1986, c.144 created a surtax on the corporate business tax to be deposited into the Hazardous Discharge Site Cleanup Fund. Of the amount deposited, \$60 million was transferred to this fund to provide loans to municipalities or municipally-owned public water systems for the purpose of providing a permanent alternate water supply to persons whose principal source of potable water is contaminated or is threatened with contamination by hazardous substances.

Worker and Community Right to Know Fund (N.J.S.A. 34:5A-1)

Special Revenue Fund

This fund was established to account for all fees collected from employers pursuant to the Worker and Community Right to Know Act. Monies in the fund are allocated for expenses incurred by the Department of Health and Senior Services, Department of Environmental Protection, Department of Labor and Workforce Development, and the Department of the Treasury in connection with the Act's provisions.

Historic Sites of New Jersey

Grover Cleveland Birthplace
207 Bloomfield Avenue, Caldwell, N.J. 07006
(973) 226-0001

Grover Cleveland's birthplace was built in 1832 as the Manse or Pastor's residence for the first Presbyterian Church at Caldwell. The Grover Cleveland Birthplace State Historic Site is the only house museum in the country dedicated to the interpretation of President Cleveland's life. It is the nation's leading repository of Cleveland artifacts and political memorabilia and listed on the New Jersey and National Registers of Historic Places.

For more information, visit the web site at:

http://www.state.nj.us/dep/parksandforests/historic/grover_cleveland/gc_home.htm

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

*Other
Information*

Historic Sites of New Jersey

Hancock House
3 Front Street, Hancock's Bridge, N.J. 08038
(856) 935-4373

Built in 1734, the Hancock House is an important link to understanding the History of Salem County and our Nation's struggle for independence, as it was the scene of a British led massacre during the Revolutionary War in 1778. The house was the home of the prominent Salem County "Hancock" family and is excellent example of English Quaker patterned end wall brick houses associated with the lower Delaware Valley and southwestern New Jersey.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/historic/hancockhouse/hancockhouse-index.htm>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
CAPITAL ASSETS
SCHEDULE OF CHANGES IN GROSS CAPITAL ASSETS BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers/ Adjustments*</u>	<u>Balance June 30, 2011</u>
FUNCTION:					
Public safety and criminal justice	\$ 2,030,090,375	\$ 88,568,613	\$ 55,413,880	\$ 3,670,610	\$ 2,066,915,718
Physical and mental health	347,238,379	7,349,825	17,061,395	7,567,683	345,094,492
Educational, cultural, and intellectual development	466,014,778	13,633,637	280,969	978,304	480,345,750
Community development and environmental management	2,909,467,681	53,608,941	1,115,527	11,242,308	2,973,203,403
Economic planning, development, and security	288,709,611	1,594,492	-	(6,717,826)	283,586,277
Transportation programs	24,091,534,653	1,466,955,696	9,104,339	(267,645)	25,549,118,365
Government direction, management, and control	774,886,613	134,035,424	18,665,658	3,310,247	893,566,626
Special government services	<u>279,228,849</u>	<u>7,133,093</u>	<u>46,806,100</u>	<u>(1,504,762)</u>	<u>238,051,080</u>
Total Gross Capital Assets By Function	<u>\$ 31,187,170,939</u>	<u>\$ 1,772,879,721</u>	<u>\$ 148,447,868</u>	<u>\$ 18,278,919</u>	<u>\$ 32,829,881,711</u>

* Transfers/Adjustments represent a revaluation and reclassification of assets among statewide functions.

**STATE OF NEW JERSEY
CAPITAL ASSETS
SCHEDULE OF GROSS CAPITAL ASSETS BY FUNCTION
JUNE 30, 2011**

	<u>Land and Easements</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>
FUNCTION:			
Public safety and criminal justice	\$ 21,469,791	\$ 64,217,669	\$ 1,379,997,241
Physical and mental health	321,653	7,351,281	232,734,125
Educational, cultural, and intellectual development	7,733,148	14,223,491	347,570,895
Community development and environmental management	2,392,350,408	80,256,742	310,171,244
Economic planning, development, and security	1,262,279	221,819	190,285,753
Transportation programs	2,325,465,176	9,383,769	202,661,805
Government direction, management, and control	14,142,350	42,929,915	497,858,483
Special government services	<u>2,408,922</u>	<u>577,280</u>	<u>219,495,203</u>
Total Gross Capital Assets By Function	<u>\$ 4,765,153,727</u>	<u>\$ 219,161,966</u>	<u>\$ 3,380,774,749</u>

<u>Machinery, Equipment, and Software</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 236,682,573	\$ 60,493,021	\$ 304,055,423	\$ 2,066,915,718
73,970,773	6,707,036	24,009,624	345,094,492
74,286,499	13,154,048	23,377,669	480,345,750
28,160,451	127,435,548	34,829,010	2,973,203,403
87,548,396	1,276,527	2,991,503	283,586,277
119,907,624	19,482,605,109	3,409,094,882	25,549,118,365
254,299,396	6,558,554	77,777,928	893,566,626
4,003,464	-	11,566,211	238,051,080
\$ 878,859,176	\$ 19,698,229,843	\$ 3,887,702,250	\$ 32,829,881,711

**STATE OF NEW JERSEY
CAPITAL ASSETS
SCHEDULE OF CHANGES IN ACCUMULATED DEPRECIATION BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

FUNCTION:	<u>Balance July 1, 2010</u>	<u>Depreciation Expense</u>	<u>Deductions</u>	<u>Transfers/ Adjustments*</u>	<u>Balance June 30, 2011</u>
Public safety and criminal justice	\$ 920,543,838	\$ 76,347,290	\$ 38,647,606	\$ 30,087	\$ 958,273,609
Physical and mental health	136,525,781	23,672,657	16,942,502	650,999	143,906,935
Educational, cultural, and intellectual development	244,224,506	20,114,396	89,000	635,620	264,885,522
Community development and environmental management	269,653,206	20,543,175	909,260	18,278,247	307,565,368
Economic planning, development, and security	136,896,479	24,737,655	-	(4,643,163)	156,990,971
Transportation programs	7,247,965,009	511,595,875	4,565,472	157,198	7,755,152,610
Government direction, management, and control	324,970,664	52,126,119	9,540,435	1,701,692	369,258,040
Special government services	112,906,553	7,992,230	46,806,101	(27,200)	74,065,482
Total Accumulated Depreciation By Function	<u>\$ 9,393,686,036</u>	<u>\$ 737,129,397</u>	<u>\$ 117,500,376</u>	<u>\$ 16,783,480</u>	<u>\$ 10,030,098,537</u>

* Transfers/Adjustments represent a revaluation and reclassification of accumulated depreciation among statewide functions.

Historic Sites of New Jersey

The Hermitage
335 North Franklin Turnpike, Ho-Ho-Kus, N.J. 07423
(201) 445-8311

The Hermitage, a historic house museum, incorporates a stone house that General George Washington visited during the Revolutionary War and was the site of the marriage of Aaron Burr and Theodosia Prevost. The original section of the Hermitage House was built in the mid-18th century. In 1845, the house was transformed by architect William Ranlett into one of the finest examples of Gothic Revival architecture in North America.

For more information, visit the web site at:

<http://www.thehermitage.org/>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
SCHEDULE OF LONG-TERM DEBT
FOR THE FISCAL YEAR JUNE 30, 2011**

	General Obligation Bonds		
	Amount Authorized	Amount Unissued	Year Authorized
Bonded Debt			
General Obligation Bond Act			
Clean Waters	\$ 120,000,000	\$ 3,400,000	1976
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	200,000,000	42,250,000	2003
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction	160,000,000	-	1994
Energy Conservation	50,000,000	1,600,000	1980
Green Acres, Cultural Centers, and Historic Preservation	100,000,000	1,000,000	1987
Green Acres, Farmland, Blue Acres, and Historic Preservation	200,000,000	59,000,000	2007
Green Acres, Farmland and Historic Preservation, and Blue Acres	340,000,000	21,000,000	1995
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation	400,000,000	400,000,000	2009
Hazardous Discharge	100,000,000	43,000,000	1981
Hazardous Discharge	200,000,000	48,000,000	1986
Jobs, Education, and Competitiveness	350,000,000	-	1988
Natural Resources	145,000,000	9,600,000	1980
New Jersey Bridge Rehabilitation and Improvement and Railroad Right-of-Way Preservation	115,000,000	-	1989
New Jersey Green Acres	135,000,000	14,500,000	1983
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	345,000,000	12,880,000	1992
New Jersey Open Space Preservation	300,000,000	22,600,000	1989
Pinelands Infrastructure Trust	30,000,000	6,750,000	1985
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	300,000,000	116,500,000	1996
Public Purpose Buildings and Community-Based Facilities Construction	125,000,000	5,000,000	1989
Refunding Bonds	5,370,619,598	-	1985
Resource Recovery and Solid Waste Disposal Facility	85,000,000	-	1985
State Land Acquisition and Development	200,000,000	-	1978
Statewide Transportation and Local Bridge	500,000,000	-	1999
Stormwater Management and Combined Sewer Overflow Abatement	50,000,000	13,000,000	1989
Water Supply	350,000,000	73,150,000	1981
Subtotal General Obligation Bond Acts	\$ 10,270,619,598	\$ 893,230,000	
Revenue Bonds Payable			
Capital Leases			
Installment Obligations			
Certificates of Participation			
Tobacco Settlement Financing Corporation			
Unamortized Deferral on Refunding			
Unamortized Interest on Capital Appreciation Bonds			
Unamortized Premium			
Subtotal Bonded Debt			
Non-Bonded Debt			
Accumulated Sick and Vacation Payable			
Capital Leases			
Loans Payable			
Net OPEB Obligation			
Net Pension Obligation			
Pollution Remediation Obligation			
Other			
Subtotal Non-Bonded Debt			
Total Debt			

<u>Outstanding July 1, 2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding June 30, 2011</u>
\$ 1,485,000	\$ -	\$ 735,000	\$ 750,000
142,830,000	-	69,575,000	73,255,000
22,720,000	-	16,715,000	6,005,000
300,000	-	240,000	60,000
9,220,000	-	5,265,000	3,955,000
141,000,000	-	81,320,000	59,680,000
53,770,000	-	42,455,000	11,315,000
-	-	-	-
625,000	-	625,000	-
7,830,000	-	7,830,000	-
2,990,000	-	2,210,000	780,000
13,780,000	-	9,180,000	4,600,000
3,275,000	-	3,275,000	-
-	-	-	-
43,495,000	-	32,160,000	11,335,000
8,075,000	-	6,150,000	1,925,000
1,250,000	-	715,000	535,000
119,040,000	-	72,020,000	47,020,000
3,770,000	-	2,880,000	890,000
1,867,625,000	763,710,000	336,040,000	2,295,295,000
1,270,000	-	1,270,000	-
2,105,000	-	1,180,000	925,000
119,935,000	-	84,475,000	35,460,000
10,100,000	-	5,565,000	4,535,000
20,250,000	-	11,675,000	8,575,000
<u>2,596,740,000</u>	<u>763,710,000</u>	<u>793,555,000</u>	<u>2,566,895,000</u>
18,576,710,000	2,099,975,000	906,120,000	19,770,565,000
251,460,000	-	18,895,000	232,565,000
18,968,688,027	1,990,160,000	2,244,244,649	18,714,603,378
30,545,720	75,110,819	20,243,625	85,412,914
4,492,958,071	-	23,925,315	4,469,032,756
(773,134,921)	(332,572,918)	(135,234,363)	(970,473,476)
(8,556,993,688)	-	(340,795,117)	(8,216,198,571)
<u>1,323,721,635</u>	<u>193,041,957</u>	<u>112,814,973</u>	<u>1,403,948,619</u>
<u>36,910,694,844</u>	<u>4,789,424,858</u>	<u>3,643,769,082</u>	<u>38,056,350,620</u>
566,749,455	343,285,488	286,849,904	623,185,039
351,766,079	6,599,553	47,146,171	311,219,461
1,279,358,087	-	-	1,279,358,087
10,028,800,000	4,917,100,000	1,444,900,000	13,501,000,000
8,403,007,326	2,454,712,044	-	10,857,719,370
92,653,822	-	12,253,356	80,400,466
300,926,070	344,709,095	305,380,345	340,254,820
<u>21,023,260,839</u>	<u>8,066,406,180</u>	<u>2,096,529,776</u>	<u>26,993,137,243</u>
<u>\$ 57,933,955,683</u>	<u>\$ 12,855,831,038</u>	<u>\$ 5,740,298,858</u>	<u>\$ 65,049,487,863</u>

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Casino Control Fund			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	68,047,427	68,801,427	60,786,904	(8,014,523)
Investment earnings	23,000	20,000	17,702	(2,298)
Other	-	-	-	-
Total Revenues	<u>68,070,427</u>	<u>68,821,427</u>	<u>60,804,606</u>	<u>(8,016,821)</u>
OTHER FINANCING SOURCES				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>68,070,427</u>	<u>68,821,427</u>	<u>60,804,606</u>	<u>(8,016,821)</u>
EXPENDITURES				
Public safety and criminal justice	43,450,846	41,720,321	39,462,509	2,257,812
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	25,396,581	24,385,106	21,243,744	3,141,362
Special government services	-	-	-	-
Total Expenditures	<u>68,847,427</u>	<u>66,105,427</u>	<u>60,706,253</u>	<u>5,399,174</u>
OTHER FINANCING USES				
Transfers to other funds	-	-	-	-
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>68,847,427</u>	<u>66,105,427</u>	<u>60,706,253</u>	<u>5,399,174</u>
Net Change in Fund Balance	(777,000)	2,716,000	98,353	(2,617,647)
Fund Balances - July 1, 2010	<u>777,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - June 30, 2011	<u>\$ -</u>	<u>\$ 2,716,000</u>	<u>\$ 98,353</u>	<u>\$ (2,617,647)</u>

Casino Revenue Fund

Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
\$ 269,452,000	\$ 256,605,000	\$ 265,842,493	\$ 9,237,493
-	-	-	-
-	-	-	-
<u>42,649,477</u>	<u>42,649,477</u>	<u>42,671,702</u>	<u>22,225</u>
<u>312,101,477</u>	<u>299,254,477</u>	<u>308,514,195</u>	<u>9,259,718</u>
<u>400,000</u>	<u>400,000</u>	<u>3,758,765</u>	<u>3,358,765</u>
<u>400,000</u>	<u>400,000</u>	<u>3,758,765</u>	<u>3,358,765</u>
<u>312,501,477</u>	<u>299,654,477</u>	<u>312,272,960</u>	<u>12,618,483</u>
-	-	-	-
248,598,461	238,378,527	248,455,474	(10,076,947)
32,516,000	31,179,261	32,516,000	(1,336,739)
2,196,000	2,105,722	2,196,000	(90,278)
29,099,016	27,902,749	29,099,000	(1,196,251)
-	-	-	-
92,000	88,218	92,000	(3,782)
<u>312,501,477</u>	<u>299,654,477</u>	<u>312,358,474</u>	<u>(12,703,997)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>312,501,477</u>	<u>299,654,477</u>	<u>312,358,474</u>	<u>(12,703,997)</u>
-	-	(85,514)	(85,514)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,514)</u>	<u>\$ (85,514)</u>

(Continued on next page)

STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
NON-MAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Gubernatorial Elections Fund			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Investment earnings	-	-	-	-
Other	768,440	768,440	482,439	(286,001)
Total Revenues	768,440	768,440	482,439	(286,001)
OTHER FINANCING SOURCES				
Transfers from other funds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	768,440	768,440	482,439	(286,001)
EXPENDITURES				
Public safety and criminal justice	68,440	68,433	1,128	67,305
Physical and mental health	-	-	-	-
Educational, cultural, and intellectual development	-	-	-	-
Economic planning, development, and security	-	-	-	-
Transportation programs	-	-	-	-
Government direction, management, and control	-	-	-	-
Special government services	-	-	-	-
Total Expenditures	68,440	68,433	1,128	67,305
OTHER FINANCING USES				
Transfers to other funds	-	7	-	7
Total Other Financing Uses	-	7	-	7
Total Expenditures and Other Financing Uses	68,440	68,440	1,128	67,312
Net Change in Fund Balance	700,000	700,000	481,311	(218,689)
Fund Balances - July 1, 2010	-	-	-	-
Fund Balances - June 30, 2011	\$ 700,000	\$ 700,000	\$ 481,311	\$ (218,689)

Total Non-Major Governmental Funds

Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget
\$ 269,452,000	\$ 256,605,000	\$ 265,842,493	\$ 9,237,493
68,047,427	68,801,427	60,786,904	(8,014,523)
23,000	20,000	17,702	(2,298)
43,417,917	43,417,917	43,154,141	(263,776)
<u>380,940,344</u>	<u>368,844,344</u>	<u>369,801,240</u>	<u>956,896</u>
400,000	400,000	3,758,765	3,358,765
<u>400,000</u>	<u>400,000</u>	<u>3,758,765</u>	<u>3,358,765</u>
381,340,344	369,244,344	373,560,005	4,315,661
43,519,286	41,788,754	39,463,637	2,325,117
248,598,461	238,378,527	248,455,474	(10,076,947)
32,516,000	31,179,261	32,516,000	(1,336,739)
2,196,000	2,105,722	2,196,000	(90,278)
29,099,016	27,902,749	29,099,000	(1,196,251)
25,396,581	24,385,106	21,243,744	3,141,362
92,000	88,218	92,000	(3,782)
<u>381,417,344</u>	<u>365,828,337</u>	<u>373,065,855</u>	<u>(7,237,518)</u>
-	7	-	7
-	7	-	7
381,417,344	365,828,344	373,065,855	(7,237,511)
(77,000)	3,416,000	494,150	(2,921,850)
777,000	-	-	-
<u>\$ 700,000</u>	<u>\$ 3,416,000</u>	<u>\$ 494,150</u>	<u>\$ (2,921,850)</u>

**STATE OF NEW JERSEY
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION - NON-MAJOR FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Explanation of differences between budgetary inflows and outflows
and GAAP revenues and expenditures**

	<u>Casino Control Fund</u>	<u>Casino Revenue Fund</u>	<u>Gubernatorial Elections Fund</u>
Sources/inflows of resources:			
Total revenues and other financing sources - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 60,804,606	\$ 312,272,960	\$ 482,439
Differences - budget to GAAP: No reconciling items.	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources as reported on the GAAP - basis statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 60,804,606</u>	<u>\$ 312,272,960</u>	<u>\$ 482,439</u>
Uses/outflows of resources:			
Total expenditures and other financing uses - actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 60,706,253	\$ 312,358,474	\$ 1,128
Differences - budget to GAAP: Encumbrances for items ordered but not received are reported in the year the resources are encumbered for budgetary purposes, but in the year the items are received for financial reporting purposes.	(274,499)	(21,713,961)	-
Expenditures in prior budget fiscal year accounts are reported in the year the resources are encumbered for budgetary purposes, but in the year the funds are disbursed for financial reporting purposes.	252,665	38,118,038	-
	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 60,684,419</u>	<u>\$ 328,762,551</u>	<u>\$ 1,128</u>

Historic Sites of New Jersey

High Point Monument, High Point State Park
1480 State Route 23, Sussex, N.J. 07461
(973) 875-4800

Built in 1930 with donations from the Kuser family of Trenton, the monument was built on the highest point in New Jersey in honor of American servicemen who served in World War I. The view from High Point Monument, at 1,803 feet above sea level, is a spectacular panorama of rich farmland and forest, soft hills and lush valleys in Pennsylvania, New York, and New Jersey. The blue line of the Delaware River divides the verdant ridges of New Jersey from those of Pennsylvania. High Point offers superb trails for hikers and skiers and quiet spots for campers and anglers.

The land for High Point State Park, donated by Colonel Anthony R. and Susie Dryden Kuser, was dedicated as a park in 1923. The pleasant landscaping was designed by the Olmsted Brothers of Boston, a prominent landscape architectural firm and the sons of the eminent Frederick Law Olmsted, who designed Central Park.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/parks/highpoint.html>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER (UNDER) ANTICIPATED</u>
MAJOR TAXES				
Sales	\$ 7,829,000,000	\$ 7,765,063,566	99	\$ (63,936,434)
Sales Tax - Energy	506,300,000	361,021,596	71	(145,278,404)
Sales Tax Dedication	(608,000,000)	(598,431,300)	98	9,568,700
Corporation Business	2,145,000,000	2,226,871,949	104	81,871,949
Corporation Business - Energy	146,000,000	117,556,990	81	(28,443,010)
Transfer Inheritance	587,700,000	642,182,390	109	54,482,390
Motor Fuels	572,600,000	524,166,890	92	(48,433,110)
Insurance Premium	478,000,000	458,233,577	96	(19,766,423)
Motor Vehicles Fees	398,500,000	407,813,147	102	9,313,147
Realty Transfer	228,900,000	175,410,049	77	(53,489,951)
Petroleum Products Gross Receipts	226,200,000	216,396,080	96	(9,803,920)
Cigarette	199,000,000	227,214,745	114	28,214,745
Corporation Banks and Financial Institutions	164,000,000	118,280,750	72	(45,719,250)
Alcoholic Beverage Excise	99,000,000	98,442,883	99	(557,117)
Tobacco Products Wholesale Sales	22,000,000	19,235,963	87	(2,764,037)
Public Utility Excise (Reform)	13,225,000	14,791,773	112	1,566,773
TOTAL MAJOR TAXES	<u>13,007,425,000</u>	<u>12,774,251,048</u>	98	<u>(233,173,952)</u>
MISCELLANEOUS TAXES, FEES, REVENUES				
Executive Branch:				
Department of Agriculture:				
Fertilizer Inspection Fees	366,000	366,000	100	-
Miscellaneous Revenue	7,000	2,630	38	(4,370)
Total Department of Agriculture	<u>373,000</u>	<u>368,630</u>	99	<u>(4,370)</u>
Department of Banking and Insurance:				
Actuarial Services	55,000	67,625	123	12,625
Banking - Assessments	9,700,000	10,055,362	104	355,362
Banking - Licenses and Other Fees	2,300,000	1,944,639	85	(355,361)
FAIR Act Administration	21,000,000	-	-	(21,000,000)
Fraud Fines	1,000,000	1,388,031	139	388,031
HMO Covered Lives	1,600,000	1,444,787	90	(155,213)
Insurance - Examination Billings	2,500,000	2,401,208	96	(98,792)
Insurance - Special Purpose Assessment	33,179,000	33,916,779	102	737,779
Insurance Fraud Prevention	22,500,000	24,990,487	111	2,490,487
Insurance Licenses and Other Fees	35,980,000	41,486,979	115	5,506,979
Real Estate Commission	10,000,000	11,487,299	115	1,487,299
Total Department of Banking and Insurance	<u>139,814,000</u>	<u>129,183,196</u>	92	<u>(10,630,804)</u>
Department of Children and Families:				
Child Care Licensing/Adoption Law	340,000	325,677	96	(14,323)
Marriage License Fees	1,260,000	1,155,800	92	(104,200)
Total Department of Children and Families	<u>1,600,000</u>	<u>1,481,477</u>	93	<u>(118,523)</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011</u>		<u>REALIZATION OVER (UNDER) ANTICIPATION</u>
		<u>AMOUNT</u>	<u>PERCENT</u>	
Department of Community Affairs:				
Affordable Housing and Neighborhood				
Preservation - Fair Housing	27,973,000	27,973,000	100	-
Construction Fees	14,078,000	14,078,000	100	-
Divorce Filing Fees	1,350,000	1,458,000	108	108,000
Fire Safety	16,335,000	16,335,000	100	-
Housing Inspection Fees	9,203,000	9,203,000	100	-
Miscellaneous Revenue	-	320	-	320
Planned Real Estate Development Fees	828,000	828,000	100	-
Total Department of Community Affairs	<u>69,767,000</u>	<u>69,875,320</u>	100	<u>108,320</u>
Department of Corrections:				
Miscellaneous Revenue	-	51,600	-	51,600
Total Department of Corrections	<u>-</u>	<u>51,600</u>	-	<u>51,600</u>
Department of Education:				
Audit of Enrollments	383,000	1,271,521	332	888,521
Audit Recoveries	500,000	422,252	84	(77,748)
Local School District Loan Recoveries - NJEDA	5,745,000	5,738,949	100	(6,051)
Nonpublic Schools Handicapped and Auxiliary Recoveries	8,000,000	13,418,599	168	5,418,599
Nonpublic Schools Textbook Recoveries	1,200,000	1,114,891	93	(85,109)
School Construction Inspection Fees	300,000	341,905	114	41,905
State Board of Examiners	5,764,000	5,764,000	100	-
Total Department of Education	<u>21,892,000</u>	<u>28,072,117</u>	128	<u>6,180,117</u>
Department of Environmental Protection:				
Air Pollution Fees - Minor Sources	6,300,000	6,251,592	99	(48,408)
Air Pollution Fees - Title V Operating Permits	8,216,000	5,726,129	70	(2,489,871)
Air Pollution Fines	2,500,000	4,257,336	170	1,757,336
Clean Water Enforcement Act	2,500,000	1,769,615	71	(730,385)
Coastal Area Facility Review Act	1,650,000	1,587,619	96	(62,381)
Endangered Species Tax Checkoff	158,000	158,000	100	-
Environmental Infrastructure Financing Program				
Administrative Fee	5,000,000	5,000,000	100	-
Excess Diversion	230,000	3,226	1	(226,774)
Freshwater Wetlands Fees	2,900,000	2,425,868	84	(474,132)
Freshwater Wetlands Fines	300,000	620,353	207	320,353
Hazardous Waste Fees	3,624,000	3,121,423	86	(502,577)
Hazardous Waste Fines	500,000	340,824	68	(159,176)
Highlands Permitting	426,000	474,314	111	48,314
Hunters' and Anglers' Licenses	11,500,000	11,500,000	100	-
Industrial Site Recovery Act	302,000	40,450	13	(261,550)
Laboratory Certification Fees	900,000	790,183	88	(109,817)
Laboratory Certification Fines	55,000	46,596	85	(8,404)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	ANTICIPATED TO JUNE 30, 2011	REALIZED TO JUNE 30, 2011		REALIZATION OVER (UNDER) ANTICIPATION
		AMOUNT	PERCENT	
Marina Rentals	885,000	885,000	100	-
Marine Lands - Preparation and Filing Fees	159,000	136,887	86	(22,113)
Medical Waste	4,400,000	4,662,698	106	262,698
Miscellaneous Revenue	-	9,220		9,220
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	16,700,000	16,700,000	100	-
Parks Management Fees and Permits	4,300,000	4,300,000	100	-
Parks Management Fines	100,000	78,746	79	(21,254)
Pesticide Control Fees	4,400,000	4,400,000	100	-
Pesticide Control Fines	90,000	88,582	98	(1,418)
Radiation Protection Fees	5,825,000	4,699,861	81	(1,125,139)
Radiation Protection Fines	150,000	104,127	69	(45,873)
Radon Testers Certification	230,000	224,930	98	(5,070)
Shellfish and Marine Fisheries	1,000	209	21	(791)
Solid and Hazardous Waste Disclosure	-	175,238	-	175,238
Solid Waste - Utility Regulation Assessments	3,100,000	3,100,000	100	-
Solid Waste Fines	650,000	689,327	106	39,327
Solid Waste Management Fees	9,992,000	11,874,702	119	1,882,702
Spring Meadow Golf Course	-	1,695	-	1,695
Stream Encroachment	3,125,000	2,721,232	87	(403,768)
Toxic Catastrophe Prevention Fees	1,588,000	1,721,600	108	133,600
Toxic Catastrophe Prevention Fines	150,000	120,418	80	(29,582)
Treatment Works Approval	1,890,000	1,196,640	63	(693,360)
Underground Storage Tanks Fees	950,000	856,968	90	(93,032)
Water Allocation	2,050,000	2,050,000	100	-
Water Supply Management Regulations	1,700,000	1,209,471	71	(490,529)
Water/Wastewater Operators Licenses	210,000	210,000	100	-
Waterfront Development Fees	3,150,000	2,655,908	84	(494,092)
Waterfront Development Fines	20,000	32,622	163	12,622
Well Permits/Well Drillers/Pump Installers Licenses	1,100,000	1,100,000	100	-
Wetlands	44,000	44,000	100	-
Worker Community Right to Know - Fines	50,000	34,942	70	(15,058)
Total Department of Environmental Protection	114,070,000	110,198,551	97	(3,871,449)
Department of Health and Senior Services:				
Admission Charge Hospital Assessment	6,000,000	6,000,000	100	-
Health Care Reform	1,200,000	1,200,000	100	-
Licenses, Fines, Permits, Penalties, and Fees	790,000	790,000	100	-
Miscellaneous Revenue	400,000	11,219	3	(388,781)
Total Department of Health and Senior Services	8,390,000	8,001,219	95	(388,781)

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	ANTICIPATED TO JUNE 30, 2011	<u>REALIZED TO JUNE 30, 2011</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Department of Human Services:				
Early Periodic Screening, Diagnosis and Treatment	800,000	4,409,504	551	3,609,504
Medicaid Uncompensated Care - Acute	284,906,000	282,613,092	99	(2,292,908)
Medicaid Uncompensated Care - Mental Health	37,075,000	38,340,895	103	1,265,895
Medicaid Uncompensated Care - Psychiatric	178,685,000	178,685,230	100	230
Medical Assistance - Federal Match on PAAD	-	451,942	-	451,942
Miscellaneous Revenue	1,500,000	9,335,163	622	7,835,163
Patients' and Residents' Cost Recovery - Developmental Disabilities	20,124,000	19,914,000	99	(210,000)
Patients' and Residents' Cost Recovery - Psychiatric Hospitals	88,255,000	81,407,693	92	(6,847,307)
School Based Medicaid	7,143,000	28,436,052	398	21,293,052
Total Department of Human Services	<u>618,488,000</u>	<u>643,593,571</u>	104	<u>25,105,571</u>
Department of Labor and Workforce Development:				
Miscellaneous Revenue	155,000	412,150	266	257,150
Special Compensation Fund	1,813,000	1,813,000	100	-
Workers' Compensation Assessment	12,879,000	12,879,000	100	-
Workplace Standards - Licenses, Permits, and Fines	4,351,000	4,351,000	100	-
Total Department of Labor and Workforce Development	<u>19,198,000</u>	<u>19,455,150</u>	101	<u>257,150</u>
Department of Law and Public Safety:				
Beverage Licenses	3,960,000	3,960,000	100	-
Charities Registration Section	695,000	695,000	100	-
Consumer Affairs	-	7,200	-	7,200
Controlled Dangerous Substances	100,000	100,000	100	-
EDA School Construction Recoveries	166,000	-	-	(166,000)
Forfeiture Funds	250,000	250,000	100	-
Legalized Games of Chance Control	1,200,000	1,200,000	100	-
Miscellaneous Revenue	55,000	83,580	152	28,580
New Jersey Cemetery Board	102,000	102,000	100	-
Pleasure Boat Licenses	3,000,000	2,112,561	70	(887,439)
Private Employment Agencies	258,000	258,000	100	-
Securities Enforcement	16,494,000	16,494,000	100	-
State Board of Architects	425,000	425,000	100	-
State Board of Audiology and Speech- Language Pathology Advisory	20,000	20,000	100	-
State Board of Certified Public Accountants	109,000	109,000	100	-
State Board of Chiropractors	128,000	128,000	100	-
State Board of Cosmetology and Hairstyling	2,695,000	2,695,000	100	-
State Board of Court Reporting	13,000	13,000	100	-
State Board of Dentistry	228,000	228,000	100	-
State Board of Electrical Contractors	210,000	210,000	100	-
State Board of HVAC Contractors	20,000	-	-	(20,000)
State Board of Marriage Counselor Examiners	415,000	415,000	100	-
State Board of Master Plumbers	565,000	565,000	100	-
State Board of Medical Examiners	6,050,000	6,050,000	100	-
State Board of Mortuary Science	210,000	210,000	100	-

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	ANTICIPATED TO JUNE 30, 2011	<u>REALIZED TO JUNE 30, 2011</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
State Board of Nursing	4,931,000	4,931,000	100	-
State Board of Occupational Therapists and Assistants	27,000	27,000	100	-
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	21,000	21,000	100	-
State Board of Optometrists	303,000	303,000	100	-
State Board of Orthotics and Prosthetics	39,000	39,000	100	-
State Board of Pharmacy	1,135,000	1,135,000	100	-
State Board of Physical Therapy	53,000	53,000	100	-
State Board of Polysomnography	50,000	50,000	100	-
State Board of Professional Engineers and Land Surveyors	315,000	315,000	100	-
State Board of Professional Planners	19,000	19,000	100	-
State Board of Psychological Examiners	405,000	405,000	100	-
State Board of Real Estate Appraisers	68,000	68,000	100	-
State Board of Respiratory Care	14,000	14,000	100	-
State Board of Social Workers	325,000	325,000	100	-
State Board of Veterinary Medical Examiners	293,000	293,000	100	-
State Police - Fingerprint Fees	3,694,000	3,694,000	100	-
State Police - Other Licenses	227,000	366,764	162	139,764
State Police - Private Detective Licenses	220,000	220,000	100	-
Victims of Violent Crime Compensation	3,372,000	3,372,000	100	-
Weights and Measures - General	2,612,000	2,612,000	100	-
Total Department of Public Law and Safety	<u>55,491,000</u>	<u>54,593,105</u>	98	<u>(897,895)</u>
Department of Military and Veterans' Affairs:				
Soldiers' Homes	43,439,000	45,000,667	104	1,561,667
Total Department of Military and Veterans' Affairs	<u>43,439,000</u>	<u>45,000,667</u>	104	<u>1,561,667</u>
Department of State:				
Governor's Teaching Scholars Program Loan Repayment	39,000	21,011	54	(17,989)
Miscellaneous Revenue	9,000	17,974	200	8,974
Total Department of State	<u>48,000</u>	<u>38,985</u>	81	<u>(9,015)</u>
Department of Transportation:				
Air Safety Fund	965,000	312,438	32	(652,562)
Applications and Highway Permits	1,300,000	1,300,000	100	-
Autonomous Transportation Authorities	28,500,000	28,083,334	99	(416,666)
Drunk Driving Fines	350,000	415,731	119	65,731
Good Driver	70,000,000	72,355,223	103	2,355,223
Interest on Purchase of Right of Way	5,000	717	14	(4,283)
Logo Sign Program Fees	300,000	300,000	100	-
Maritime Program Receipts	2,200,000	2,073,255	94	(126,745)
Miscellaneous Revenue	-	45,560	-	45,560
Outdoor Advertising	740,000	740,000	100	-
Total Department of Transportation	<u>104,360,000</u>	<u>105,626,258</u>	101	<u>1,266,258</u>

STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	ANTICIPATED TO JUNE 30, 2011	<u>REALIZED TO JUNE 30, 2011</u>		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Department of the Treasury:				
Assessment on Real Property Greater Than \$1 Million	83,000,000	66,886,253	81	(16,113,747)
Assessments - Cable TV	4,770,000	4,764,188	100	(5,812)
Assessments - Public Utility	24,173,000	25,416,339	105	1,243,339
Casino Fines	-	463,181	-	463,181
CATV Universal Access	9,100,000	5,052,383	56	(4,047,617)
Coin Operated Telephones	4,000,000	3,633,197	91	(366,803)
Commercial Recording - Expedited	1,403,000	1,403,000	100	-
Commissions (Notary)	1,300,000	1,305,796	100	5,796
Dispute Settlement Office - Mediation Receipts	50,000	50,000	100	-
Domestic Security	28,000,000	30,758,399	110	2,758,399
Dormitory Safety Trust Fund - Debt Service Recovery	5,666,000	-	-	(5,666,000)
Equipment Leasing Fund - Debt Service Recovery	128,000	128,174	100	174
Escrow Interest - Construction Accounts	6,000	(2,660)	(44)	(8,660)
Fur Clothing Tax	-	70	-	70
General Revenue - Fees (Commercial Recording and Uniform Construction Code)	51,000,000	51,732,453	101	732,453
Higher Education Capital Improvement Fund - Debt Service Recovery	15,297,000	-	-	(15,297,000)
Hotel/Motel Occupancy Tax	74,500,000	78,238,345	105	3,738,345
Investment Earnings	-	2,726,711	-	2,726,711
Miscellaneous Revenue	867,000	750,457	87	(116,543)
New Jersey Health Care Facilities	-	(25)	-	(25)
New Jersey Public Records Preservation	34,300,000	31,893,385	93	(2,406,615)
Nuclear Emergency Response Assessment	4,346,000	5,031,000	116	685,000
Public Defender Client Receipts	3,400,000	3,445,914	101	45,914
Public Utility Fines	1,000,000	411,500	41	(588,500)
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	100,606,000	104,890,203	104	4,284,203
Railroad Tax - Class II	3,700,000	4,228,055	114	528,055
Railroad Tax - Franchise	3,300,000	5,883,460	178	2,583,460
Rate Counsel - Assessments	6,449,000	6,991,853	108	542,853
Surplus Property	1,900,000	1,852,186	97	(47,814)
Tax Referral Cost Recovery Fee	5,400,000	5,055,407	94	(344,593)
Telephone Assessment	128,000,000	125,952,063	98	(2,047,937)
Tire Clean-Up Surcharge	10,000,000	9,006,719	90	(993,281)
Transitional Energy Facilities Assessment	235,770,000	243,012,823	103	7,242,823
Total Department of Treasury	<u>841,431,000</u>	<u>820,960,829</u>	98	<u>(20,470,171)</u>
Other Sources:				
Miscellaneous Revenue	500,000	9,885,212	1,977	9,385,212
Total Other Sources	<u>500,000</u>	<u>9,885,212</u>	1,977	<u>9,385,212</u>
Interdepartmental Accounts:				
Administration and Investment of Pension and Health Benefit Funds - Recoveries	2,754,000	2,436,920	88	(317,080)
Employee Maintenance Deductions	300,000	420,749	140	120,749
Fringe Benefit Recoveries from Colleges and Universities	172,791,000	141,892,826	82	(30,898,174)
Fringe Benefit Recoveries from Federal and Other Funds	233,360,000	234,105,028	100	745,028

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	ANTICIPATED TO JUNE 30, 2011	REALIZED TO JUNE 30, 2011		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Fringe Benefit Recoveries from School Districts	30,500,000	42,951,751	141	12,451,751
Indirect Cost Recoveries - DEP Other Funds	8,100,000	9,934,083	123	1,834,083
Market Transition Facility Revenue Fund	25,200,000	23,916,727	95	(1,283,273)
Rent of State Building Space	2,900,000	3,117,074	107	217,074
Social Security Recoveries from Federal and Other Funds	70,050,000	62,853,690	90	(7,196,310)
Total Interdepartmental Accounts	<u>545,955,000</u>	<u>521,628,848</u>	96	<u>(24,326,152)</u>
Judicial Branch:				
Court Fees	70,975,000	65,120,430	92	(5,854,570)
Total Judicial Branch	<u>70,975,000</u>	<u>65,120,430</u>	92	<u>(5,854,570)</u>
TOTAL MISCELLANEOUS TAXES, FEES, REVENUES	<u>2,655,791,000</u>	<u>2,633,135,165</u>	99	<u>(22,655,835)</u>
INTERFUND TRANSFERS				
Beaches and Harbor Fund	8,000	3,203	40	(4,797)
Clean Energy Fund	10,000,000	10,000,000	100	-
Clean Waters Fund	3,000	1,022	34	(1,978)
Correctional Facilities Construction Fund	1,000	1,746	175	746
Correctional Facilities Construction Fund of 1987	2,000	1,666	83	(334)
Cultural Center and Historical Preservation Fund	-	218	-	218
Dam, Lake, Stream and Flood Control Project Fund - 2003	50,000	54,633	109	4,633
Developmental Disabilities Waiting List Reduction Fund	-	14,503	-	14,503
Dredging and Containment Facility Fund	410,000	410,000	100	-
Emergency Flood Control Fund	1,000	685	69	(315)
Energy Conservation Fund	1,000	830	83	(170)
Enterprise Zone Assistance Fund	92,930,000	88,981,008	96	(3,948,992)
Fund for the Support of Free Public Schools	975,000	4,494,771	461	3,519,771
Garden State Farmland Preservation Trust Fund	1,884,000	1,810,635	96	(73,365)
Garden State Green Acres Preservation Trust Fund	5,416,000	4,943,465	91	(472,535)
Garden State Historic Preservation Trust Fund	630,000	529,475	84	(100,525)
Global Warming Solutions Fund	65,175,000	65,175,000	100	-
Hazardous Discharge Fund	1,000	547	55	(453)
Hazardous Discharge Site Cleanup Fund	23,374,000	17,457,305	75	(5,916,695)
Housing Assistance Fund	30,000	13,842	46	(16,158)
Human Services Facilities Construction Fund	-	79	-	79
Jobs, Education and Competitiveness Fund	-	1,432	-	1,432
Judiciary Bail Fund	150,000	80,753	54	(69,247)
Judiciary Child Support and Paternity Fund	60,000	-	-	(60,000)
Judiciary Probation Fund	50,000	25,742	51	(24,258)
Judiciary Special Civil Fund	20,000	2,910	15	(17,090)
Judiciary Superior Court Miscellaneous Fund	20,000	8,748	44	(11,252)
Legal Services Fund	11,000,000	10,888,417	99	(111,583)
Mortgage Assistance Fund	653,000	851,976	130	198,976

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	ANTICIPATED TO JUNE 30, 2011	REALIZED TO JUNE 30, 2011		REALIZATION OVER (UNDER) ANTICIPATED
		AMOUNT	PERCENT	
Motor Vehicle Security Responsibility Fund	1,000	712	71	(288)
NJ Bridge Rehabilitation and Improvement and R.R. Right-of-Way Preservation Fund	35,000	18,698	53	(16,302)
Natural Resources Fund	4,000	5,571	139	1,571
New Home Warranty Security Fund	6,400,000	6,400,000	100	-
New Jersey Cultural Trust	4,000,000	4,000,000	100	-
New Jersey Spill Compensation Fund	15,866,000	15,168,065	96	(697,935)
New Jersey Workforce Development Partnership Fund	17,681,000	13,219,517	75	(4,461,483)
Pollution Prevention Fund	1,549,000	1,548,960	100	(40)
Public Purpose Buildings Construction Fund	1,000	406	41	(594)
Public Purpose Buildings and Community-Based Facilities Construction Fund	-	3,468	-	3,468
Retail Margin Fund	13,900,000	10,118,648	73	(3,781,352)
Safe Drinking Water Fund	2,445,000	1,999,002	82	(445,998)
School Fund Investment Account	4,160,000	-	-	(4,160,000)
Shore Protection Fund	65,000	40,288	62	(24,712)
Solid Waste Service Tax Fund	1,000	522,957	52,296	521,957
State Disability Benefit Fund	54,687,000	52,178,492	95	(2,508,508)
State Land Acquisition and Development Fund	4,000	1,717	43	(2,283)
State Lottery Fund	953,000,000	930,000,111	98	(22,999,889)
State Lottery Fund - Administration	21,686,000	19,321,541	89	(2,364,459)
State of New Jersey Cash Management Fund	2,300,000	2,077,942	90	(222,058)
State Recycling Fund	7,000,000	-	-	(7,000,000)
Statewide Transportation and Local Bridge Fund	75,000	42,591	57	(32,409)
Supplemental Workforce Fund for Basic Skills	2,000,000	1,064,037	53	(935,963)
Tobacco Settlement Fund	55,445,000	53,850,000	97	(1,595,000)
Unclaimed Insurance Payments	-	10,035	-	10,035
Unclaimed Personal Property Trust Fund	202,580,000	270,580,000	134	68,000,000
Unclaimed Utility Deposits Trust Fund	21,000	10,580	50	(10,420)
Unemployment Compensation Auxiliary Fund	18,057,000	18,056,139	100	(861)
Universal Services Fund	77,552,000	77,552,000	100	-
Wage and Hour Trust Fund	40,000	5,604	14	(34,396)
Water Conservation Fund	4,000	2,136	53	(1,864)
Water Supply Fund	4,353,000	4,320,938	99	(32,062)
Worker and Community Right to Know Fund	3,798,000	3,147,509	83	(650,491)
TOTAL INTERFUND TRANSFERS	<u>1,681,554,000</u>	<u>1,691,022,275</u>	101	<u>9,468,275</u>
TOTAL REVENUES, GENERAL FUND	<u>\$ 17,344,770,000</u>	<u>\$ 17,098,408,488</u>	99	<u>\$ (246,361,512)</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
CASINO CONTROL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER/(UNDER) ANTICIPATED</u>
Licenses and Fees	\$ 65,896,000	\$ 60,786,904	92	\$ (5,109,096)
Investment Earnings	23,000	17,702	77	(5,298)
TOTAL CASINO CONTROL FUND	<u>\$ 65,919,000</u>	<u>\$ 60,804,606</u>	92	<u>\$ (5,114,394)</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER/(UNDER) ANTICIPATED</u>
Gross Revenue Tax	\$ 256,351,000	\$ 251,185,463	98	\$ (5,165,537)
Other Casino Taxes and Fees	13,101,000	14,710,337	112	1,609,337
Casino Simulcasting Fund	400,000	367,783	92	(32,217)
TOTAL CASINO REVENUE FUND	<u>\$ 269,852,000</u>	<u>\$ 266,263,583</u>	99	<u>\$ (3,588,417)</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
GUBERNATORIAL ELECTIONS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER/(UNDER) ANTICIPATED</u>
Taxpayers' Designations	\$ 700,000	\$ 482,439	69	\$ (217,561)
TOTAL GUBERNATORIAL ELECTIONS FUND	<u>\$ 700,000</u>	<u>\$ 482,439</u>	69	<u>\$ (217,561)</u>

**STATE OF NEW JERSEY
SCHEDULE OF ANTICIPATED REVENUE
PROPERTY TAX RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ANTICIPATED TO JUNE 30, 2011</u>	<u>REALIZED TO JUNE 30, 2011 AMOUNT</u>	<u>PERCENT</u>	<u>REALIZATION OVER/(UNDER) ANTICIPATED</u>
Gross Income Tax	\$ 9,855,064,000	\$ 10,617,034,179	108	\$ 761,970,179
Sales Tax Dedication	625,913,000	616,743,482	99	(9,169,518)
TOTAL PROPERTY TAX RELIEF FUND	<u>\$ 10,480,977,000</u>	<u>\$ 11,233,777,661</u>	107	<u>\$ 752,800,661</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATED REVENUE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>STATE</u>	<u>FEDERAL</u>	<u>DEDICATED AND REVOLVING</u>	<u>TOTAL</u>
LEGISLATIVE BRANCH	\$ -	\$ -	\$ 1,240	\$ 1,240
EXECUTIVE BRANCH				
Chief Executive	-	-	649,734	649,734
Agriculture	2,401,576	337,283,688	6,808,926	346,494,190
Banking and Insurance	1,450,721	356,539	2,870,941	4,678,201
Children and Families	-	175,859,658	54,143,030	230,002,688
Community Affairs	18,360,167	505,374,270	52,218,004	575,952,441
Corrections	1,700,000	5,436,528	55,407,492	62,544,020
Education	748,055	973,013,894	15,806,208	989,568,157
Environmental Protection	35,230,404	57,214,190	50,804,572	143,249,166
Health and Senior Services	13,509,140	377,744,987	323,102,782	714,356,909
Human Services	220,343,773	8,436,406,823	800,618,280	9,457,368,876
Labor and Workforce Development	57,218,075	406,245,181	159,722,111	623,185,367
Law and Public Safety	142,331,545	212,323,049	161,164,828	515,819,422
Military and Veterans' Affairs	3,180,565	42,407,931	1,462,770	47,051,266
Personnel	11,405	-	-	11,405
State	5,122	30,802,660	26,261,193	57,068,975
Transportation	2,163,001	11,991,861	422,210,126	436,364,988
Treasury	72,665,540	12,048,672	1,229,211,935	1,313,926,147
Interdepartmental	6,922,994	-	42,935,846	49,858,840
TOTAL EXECUTIVE BRANCH	<u>578,242,083</u>	<u>11,584,509,931</u>	<u>3,405,398,778</u>	<u>15,568,150,792</u>
JUDICIAL BRANCH	<u>2,915,962</u>	<u>3,446,062</u>	<u>66,318,489</u>	<u>72,680,513</u>
TOTAL APPROPRIATED REVENUE	<u>\$ 581,158,045</u>	<u>\$ 11,587,955,993</u>	<u>\$ 3,471,718,507</u>	<u>\$ 15,640,832,545</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATED REVENUE
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>STATE</u>	<u>FEDERAL</u>	<u>DEDICATED AND REVOLVING</u>	<u>TOTAL</u>
EXECUTIVE BRANCH				
Health and Senior Services	\$ 42,618,394	\$ -	\$ -	\$ 42,618,394
TOTAL APPROPRIATED REVENUE	<u>\$ 42,618,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,618,394</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Legislative Branch	\$ 75,647,868	\$ 15,869,608	\$ 76,334,211
Executive Branch			
Chief Executive's Office	4,562,000	1,630,769	6,133,186
Agriculture	6,802,000	3,580,353	9,571,719
Banking and Insurance	59,739,000	1,146,069	55,971,569
Children and Families	317,697,000	20,048,312	300,841,115
Community Affairs	37,206,000	14,887,104	46,815,084
Corrections	958,470,000	61,922,683	974,905,914
Education	64,923,000	12,183,088	71,738,019
Environmental Protection	202,337,774	72,405,517	242,672,338
Health and Senior Services	51,224,000	28,703,154	69,295,132
Human Services	516,853,000	95,114,740	554,681,733
Labor and Workforce Development	97,928,000	43,016,625	128,274,806
Law and Public Safety	485,827,000	262,991,003	627,043,872
Military and Veterans' Affairs	87,745,197	8,800,243	90,440,395
State	26,966,000	6,490,444	27,475,914
Transportation	81,582,000	13,627,849	88,651,157
Treasury	420,642,656	106,580,895	497,328,939
Miscellaneous Executive Commissions	1,344,000	2,509	1,346,336
Interdepartmental Accounts	2,252,489,109	(77,208,973)	2,034,510,805
Total Executive Branch	<u>5,674,337,736</u>	<u>675,922,384</u>	<u>5,827,698,033</u>
Judicial Branch	<u>656,270,000</u>	<u>9,002,503</u>	<u>599,816,335</u>
TOTAL DIRECT STATE SERVICES	<u>\$ 6,406,255,604</u>	<u>\$ 700,794,495</u>	<u>\$ 6,503,848,579</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 1,560,650	\$ -	\$ 13,622,615
-	2,716	56,867
144,137	114,895	551,602
863,887	3,360,664	688,949
2,672,183	34,231,979	35
2,340,880	205,608	2,731,532
12,002,212	30,368,883	3,115,674
1,410,503	1,291,733	2,665,833
8,644,106	2,121,909	21,304,938
4,477,131	1,747,810	4,407,081
20,294,521	8,725,446	28,266,040
3,778,785	4,328,204	4,562,830
13,420,712	10,947,326	97,406,093
1,988,950	1,117,709	2,998,386
2,467,675	1,302,096	2,210,759
4,095,363	32,037	2,431,292
13,521,659	8,696,664	7,676,289
159	-	14
10,115,631	86,817,189	43,836,511
<u>102,238,494</u>	<u>195,412,868</u>	<u>224,910,725</u>
<u>37,679,142</u>	<u>(825)</u>	<u>27,777,851</u>
<u>\$ 141,478,286</u>	<u>\$ 195,412,043</u>	<u>\$ 266,311,191</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GRANTS-IN-AID			
Executive Branch			
Agriculture	\$ 6,918,000	\$ 395,155	\$ 6,985,195
Children and Families	728,183,000	6,207,110	709,683,039
Community Affairs	22,620,000	9,624,885	25,946,454
Corrections	107,240,000	9,230,000	111,819,449
Education	9,465,000	-	9,421,250
Environmental Protection	17,567,000	73,507,293	13,162,187
Health and Senior Services	1,154,892,000	26,302,426	1,034,113,752
Human Services	3,558,171,205	245,238,264	3,704,237,822
Labor and Workforce Development	58,756,000	678	51,824,600
Law and Public Safety	17,248,000	(2,056)	6,516,962
Military and Veterans' Affairs	3,074,000	(49,316)	2,234,130
State	1,113,460,000	6,213,883	1,082,391,939
Transportation	276,200,000	528,165	276,321,690
Treasury	340,228,000	13,476,112	325,314,829
Interdepartmental Accounts	1,052,772,947	49,064,538	925,170,196
Total Executive Branch	<u>8,466,795,152</u>	<u>439,737,137</u>	<u>8,285,143,494</u>
Judicial Branch	<u>-</u>	<u>7,056</u>	<u>5,123</u>
TOTAL GRANTS-IN-AID	<u>\$ 8,466,795,152</u>	<u>\$ 439,744,193</u>	<u>\$ 8,285,148,617</u>
STATE AID			
Executive Branch			
Agriculture	\$ 5,648,000	\$ (7,854)	\$ 5,615,067
Community Affairs	6,860,500	(458,994)	5,373,125
Corrections	15,000,000	-	15,000,000
Education	486,030,488	(269,351)	394,462,851
Environmental Protection	8,067,000	1,016,103	5,332,332
Health and Senior Services	7,152,000	-	6,060,571
Human Services	438,993,012	533,026	413,643,705
Labor and Workforce Development	-	-	(148,109)
Law and Public Safety	-	9,987,405	610,882
State	15,005,000	-	14,537,153
Treasury	209,706,000	2,043,503	200,471,017
Total Executive Branch	<u>1,192,462,000</u>	<u>12,843,838</u>	<u>1,060,958,594</u>
TOTAL STATE AID	<u>\$ 1,192,462,000</u>	<u>\$ 12,843,838</u>	<u>\$ 1,060,958,594</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 40,101	\$ 101,451	\$ 186,408
2,313,515	22,159,094	234,462
4,031,709	1,723,862	542,860
103,601	4,546,950	-
-	43,750	-
25,000	14,640	77,872,466
13,178,741	84,426,104	49,475,829
59,690,639	25,900,499	13,580,509
6,931,400	-	678
10,723,366	5,616	-
660,729	129,825	-
4,261,232	6,674,713	26,345,999
392,842	-	13,633
185,550	27,338,941	864,792
70,008,400	106,658,889	-
<u>172,546,825</u>	<u>279,724,334</u>	<u>169,117,636</u>
<u>1,933</u>	<u>-</u>	<u>-</u>
<u>\$ 172,548,758</u>	<u>\$ 279,724,334</u>	<u>\$ 169,117,636</u>
\$ -	\$ 25,014	\$ 65
462,500	330,053	235,828
-	-	-
3,956,228	5,342,057	82,000,001
3,684,935	4,920	60,916
1,091,426	3	-
-	24,031,959	1,850,374
147,943	166	-
1,291,044	-	8,085,479
-	158,614	309,233
1,133,255	6,597,139	3,548,092
<u>11,767,331</u>	<u>36,489,925</u>	<u>96,089,988</u>
<u>\$ 11,767,331</u>	<u>\$ 36,489,925</u>	<u>\$ 96,089,988</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
CAPITAL CONSTRUCTION			
Legislative Branch	\$ -	\$ 2,335,669	\$ -
Executive Branch			
Agriculture	-	715,592	-
Corrections	-	13,489,049	943,322
Education	-	787,973	28,356
Environmental Protection	92,466,000	76,745,371	48,769,727
Health and Senior Services	-	37,248	-
Human Services	-	4,770,259	9,320
Law and Public Safety	-	7,049,914	877,688
Military and Veterans' Affairs	-	28,096	3,951
State	-	21	-
Transportation	895,000,000	-	895,000,000
Treasury	-	1,384,678	291,575
Interdepartmental Accounts	134,429,000	87,853,094	183,948,781
Total Executive Branch	<u>1,121,895,000</u>	<u>192,861,295</u>	<u>1,129,872,720</u>
TOTAL CAPITAL CONSTRUCTION	<u>\$ 1,121,895,000</u>	<u>\$ 195,196,964</u>	<u>\$ 1,129,872,720</u>
DEBT SERVICE			
Executive Branch			
Environmental Protection	\$ 28,365,000	\$ -	\$ 9,183,275
Treasury	176,353,000	-	111,207,530
Total Executive Branch	<u>204,718,000</u>	<u>-</u>	<u>120,390,805</u>
TOTAL DEBT SERVICE	<u>\$ 204,718,000</u>	<u>\$ -</u>	<u>\$ 120,390,805</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 2,335,669
708,197	-	7,395
792,888	33,804	11,719,035
119,992	2,685	636,940
28,997,464	32,464	91,411,716
-	37,248	-
4,484	130,705	4,625,750
2,110,380	36,970	4,024,876
-	7	24,138
-	21	-
-	-	-
220,696	376,780	495,627
11,374,297	72,496	26,886,520
<u>44,328,398</u>	<u>723,180</u>	<u>139,831,997</u>
<u>\$ 44,328,398</u>	<u>\$ 723,180</u>	<u>\$ 142,167,666</u>
\$ -	\$ 19,181,725	\$ -
-	65,145,470	-
-	84,327,195	-
<u>\$ -</u>	<u>\$ 84,327,195</u>	<u>\$ -</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR JUNE 30, 2011

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
FEDERAL			
Legislative Branch	\$ -	\$ 3,157	\$ 1,560
Executive Branch			
Agriculture	349,050,965	26,367,474	308,389,343
Banking and Insurance	745,271	-	356,539
Children and Families	474,012,274	41,198,799	457,966,951
Community Affairs	545,389,018	167,814,363	441,814,582
Corrections	12,362,000	6,635,530	7,287,461
Education	1,112,225,635	297,602,779	761,677,366
Environmental Protection	262,579,438	25,634,951	41,077,871
Health and Senior Services	2,287,445,329	81,577,713	1,811,082,126
Human Services	5,720,686,469	93,886,133	5,269,689,346
Labor and Workforce Development	492,050,301	128,785,702	379,169,786
Law and Public Safety	281,566,045	172,806,052	167,265,994
Military and Veterans' Affairs	95,701,656	13,268,178	35,486,309
State	37,150,538	2,496,069	28,348,008
Transportation	23,300,000	10,432,283	6,619,598
Treasury	49,402,956	27,284,314	11,921,211
Total Executive Branch	<u>11,743,667,895</u>	<u>1,095,790,340</u>	<u>9,728,152,491</u>
Judicial Branch	<u>101,933,331</u>	<u>4,832,959</u>	<u>98,292,754</u>
TOTAL FEDERAL	<u>\$ 11,845,601,226</u>	<u>\$ 1,100,626,456</u>	<u>\$ 9,826,446,805</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 1,597
43,286,867	-	23,742,229
250,834	-	137,898
5,260,532	-	51,983,590
62,654,213	-	208,734,586
632,524	-	11,077,545
587,416,160	-	60,734,888
13,632,598	-	233,503,920
58,753,316	-	499,187,600
50,218,848	-	494,664,408
64,075,811	-	177,590,406
44,454,006	-	242,652,097
2,994,970	-	70,488,555
3,299,177	-	7,999,422
3,879,320	-	23,233,365
15,989,270	-	48,776,789
<u>956,798,446</u>	<u>-</u>	<u>2,154,507,298</u>
<u>2,045,468</u>	<u>-</u>	<u>6,428,068</u>
<u>\$ 958,843,914</u>	<u>\$ -</u>	<u>\$ 2,160,936,963</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
REVOLVING FUNDS			
Legislative Branch	\$ -	\$ 1,240	\$ -
Executive Branch			
Community Affairs	-	13,973,037	11,413,425
Corrections	-	27,499,948	27,574,558
Education	-	2,484,582	1,866,891
Environmental Protection	-	912,143	569,305
Health and Senior Services	-	28,368,399	14,638,957
Human Services	-	8,442,737	4,973,720
Labor and Workforce Development	-	1,323,652	(4,768,039)
Law and Public Safety	-	1,663,307	854,758
State	-	1,174,691	807,735
Transportation	-	17,175,785	16,500,400
Treasury	-	92,562,126	64,375,472
Total Executive Branch	-	195,580,407	138,807,182
TOTAL REVOLVING FUNDS	<u>\$ -</u>	<u>\$ 195,581,647</u>	<u>\$ 138,807,182</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 1,240
1,907,213	-	652,399
1,195,699	-	(1,270,309)
108,747	-	508,944
67,787	-	275,051
5,383,463	-	8,345,979
751,639	-	2,717,378
5,781,301	3,581	306,809
229,650	-	578,899
17,783	-	349,173
321,860	-	353,525
<u>19,503,581</u>	<u>66,030</u>	<u>8,617,043</u>
<u>35,268,723</u>	<u>69,611</u>	<u>21,434,891</u>
<u>\$ 35,268,723</u>	<u>\$ 69,611</u>	<u>\$ 21,436,131</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
ALL OTHER			
Legislative Branch	\$ -	\$ 24,567	\$ -
Executive Branch			
Chief Executive's Office	-	1,641,152	712,377
Agriculture	-	11,483,661	7,048,001
Banking and Insurance	-	3,433,644	2,881,889
Children and Families	-	61,233,114	50,297,570
Community Affairs	-	123,299,063	62,986,743
Corrections	-	36,030,410	27,695,636
Education	-	20,623,288	12,992,459
Environmental Protection	-	87,738,674	35,515,410
Health and Senior Services	-	351,780,182	293,204,055
Human Services	-	798,168,492	770,744,235
Labor and Workforce Development	-	207,408,532	182,616,237
Law and Public Safety	-	226,882,543	188,007,682
Military and Veterans' Affairs	-	2,495,769	661,188
State	-	35,107,146	28,716,827
Transportation	-	438,762,319	276,951,055
Treasury	-	1,397,112,652	1,289,682,006
Interdepartmental Accounts	-	36,800,038	34,148,540
Total Executive Branch	-	3,840,000,679	3,264,861,910
Judicial Branch	-	102,715,278	54,851,787
TOTAL ALL OTHER	\$ -	\$ 3,942,740,524	\$ 3,319,713,697

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ -	\$ 24,567
-	-	928,775
785,745	-	3,649,915
-	-	551,755
771,477	-	10,164,067
12,332,158	9,000,002	38,980,160
546,190	840,426	6,948,158
346,566	-	7,284,263
15,624,969	-	36,598,295
11,025,920	31,350	47,518,857
2,097,745	163,551	25,162,961
516,100	5,000,000	19,276,195
15,378,586	275,836	23,220,439
342,944	-	1,491,637
228,513	4,870	6,156,936
20,000,228	5,000,391	136,810,645
17,108,192	44,743,529	45,578,925
2,532,067	-	119,431
<u>99,637,400</u>	<u>65,059,955</u>	<u>410,441,414</u>
<u>6,700,422</u>	<u>-</u>	<u>41,163,069</u>
<u>\$ 106,337,822</u>	<u>\$ 65,059,955</u>	<u>\$ 451,629,050</u>

STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GENERAL FUND SUMMARY			
Legislative Branch	\$ 75,647,868	\$ 18,234,241	\$ 76,335,771
Executive Branch			
Chief Executive's Office	4,562,000	3,271,921	6,845,563
Agriculture	368,418,965	42,534,381	337,609,325
Banking and Insurance	60,484,271	4,579,713	59,209,997
Children and Families	1,519,892,274	128,687,335	1,518,788,675
Community Affairs	612,075,518	329,139,458	594,349,413
Corrections	1,093,072,000	154,807,620	1,165,226,340
Education	1,672,644,123	333,412,359	1,252,187,192
Environmental Protection	611,382,212	337,960,052	396,282,445
Health and Senior Services	3,500,713,329	516,769,122	3,228,394,593
Human Services	10,234,703,686	1,246,153,651	10,717,979,881
Labor and Workforce Development	648,734,301	380,535,189	736,969,281
Law and Public Safety	784,641,045	681,378,168	991,177,838
Military and Veterans' Affairs	186,520,853	24,542,970	128,825,973
State	1,192,581,538	51,482,254	1,182,277,576
Transportation	1,276,082,000	480,526,401	1,560,043,900
Treasury	1,196,332,612	1,640,444,280	2,500,592,579
Miscellaneous Executive Commissions	1,344,000	2,509	1,346,336
Interdepartmental Accounts	3,439,691,056	96,508,697	3,177,778,322
Total Executive Branch	<u>28,403,875,783</u>	<u>6,452,736,080</u>	<u>29,555,885,229</u>
Judicial Branch	<u>758,203,331</u>	<u>116,557,796</u>	<u>752,965,999</u>
TOTAL GENERAL FUND SUMMARY	<u>\$ 29,237,726,982</u>	<u>\$ 6,587,528,117</u>	<u>\$ 30,385,186,999</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 1,560,650	\$ -	\$ 15,985,688
-	2,716	985,642
44,965,047	241,360	28,137,614
1,114,721	3,360,664	1,378,602
11,017,707	56,391,073	62,382,154
83,728,673	11,259,525	251,877,365
15,273,114	35,790,063	31,590,103
593,358,196	6,680,225	153,830,869
70,676,859	21,355,658	461,027,302
93,909,997	86,242,515	608,935,346
133,057,876	58,952,160	570,867,420
81,231,340	9,331,951	201,736,918
87,607,744	11,265,748	375,967,883
5,987,593	1,247,541	75,002,716
10,274,380	8,140,314	43,371,522
28,689,613	5,032,428	162,842,460
67,662,203	152,964,553	115,557,557
159	-	14
<u>94,030,395</u>	<u>193,548,574</u>	<u>70,842,462</u>
<u>1,422,585,617</u>	<u>661,807,068</u>	<u>3,216,333,949</u>
<u>46,426,965</u>	<u>(825)</u>	<u>75,368,988</u>
<u>\$ 1,470,573,232</u>	<u>\$ 661,806,243</u>	<u>\$ 3,307,688,625</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
CASINO CONTROL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Law and Public Safety	\$ 42,249,000	\$ 1,201,846	\$ 39,427,027
Treasury	24,447,000	949,581	21,004,726
TOTAL CASINO CONTROL FUND	<u>\$ 66,696,000</u>	<u>\$ 2,151,427</u>	<u>\$ 60,431,753</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
CASINO REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Health and Senior Services	\$ 871,000	\$ 31,067	\$ 832,747
Law and Public Safety	92,000	-	92,000
GRANTS-IN-AID			
Executive Branch			
Health and Senior Services	107,137,000	42,618,394	148,044,211
Human Services	130,457,000	-	130,457,000
Labor and Workforce Development	2,196,000	-	2,196,000
STATE AID			
Executive Branch			
Transportation	29,099,000	16	9,022,555
TOTAL CASINO REVENUE FUND	<u>\$ 269,852,000</u>	<u>\$ 42,649,477</u>	<u>\$ 290,644,513</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 35,482	\$ 3,422,206	\$ 566,131
239,018	3,296,004	856,833
\$ 274,500	\$ 6,718,210	\$ 1,422,964

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ 46,598	\$ 400	\$ 22,322
-	-	-
1,590,918	120,265	-
-	-	-
-	-	-
20,076,445	16	-
\$ 21,713,961	\$ 120,681	\$ 22,322

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
GUBERNATORIAL ELECTIONS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
DIRECT STATE SERVICES			
Executive Branch			
Law and Public Safety	\$ -	\$ 68,440	\$ 1,128
TOTAL GUBERNATORIAL ELECTIONS FUND	<u>\$ -</u>	<u>\$ 68,440</u>	<u>\$ 1,128</u>

**STATE OF NEW JERSEY
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
PROPERTY TAX RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>ORIGINAL AND SUPPLEMENTAL APPROPRIATIONS</u>	<u>OTHER AUTHORIZED APPROPRIATIONS</u>	<u>EXPENDITURES</u>
GRANTS-IN-AID			
Executive Branch			
Treasury	\$ 433,800,000	\$ -	\$ 429,337,258
STATE AID			
Executive Branch			
Community Affairs	669,600,500	(240,555,015)	428,814,962
Education	10,298,311,512	(96,372,299)	9,638,476,288
Human Services	165,505,988	-	165,505,988
Treasury	<u>151,298,372</u>	<u>503,927</u>	<u>151,802,299</u>
TOTAL PROPERTY TAX RELIEF FUND	<u>\$ 11,718,516,372</u>	<u>\$ (336,423,387)</u>	<u>\$ 10,813,936,795</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ 7,102	\$ 60,210
<u>\$ -</u>	<u>\$ 7,102</u>	<u>\$ 60,210</u>

<u>ENCUMBRANCES</u>	<u>LAPSED</u>	<u>CONTINUING APPROPRIATIONS</u>
\$ -	\$ 4,462,742	\$ -
-	230,523	-
-	139,047,265	424,415,660
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ 143,740,530</u>	<u>\$ 424,415,660</u>

Historic Sites of New Jersey

The Old Dutch Parsonage and Wallace House
71 Somerset Street, Somerville, N.J. 08876
(908) 725-1015

Reverend John Frelinghuysen, who immigrated from Amsterdam to serve three congregations of the Dutch Reform Church in the upper Raritan Valley, built and occupied the Old Dutch Parsonage in 1751. Frederick Frelinghuysen, son of the Rev. John Frelinghuysen served as a Captain in the Continental Artillery with distinction in the Revolutionary War and later as Lieutenant Colonel of the Somerset County Militia. The second occupant of the Old Dutch Parsonage, the Reverend Jacob Hardenbergh, founded Queens College in 1766 while residing in the house.

For more information, visit the web site at:

<http://www.state.nj.us/dep/parksandforests/historic/olddutch-wallace/odwh-home.htm>

For more information on New Jersey's State historic sites or parks, call (800) 843-6420 or (609) 984-0370 or visit the web site at <http://www.state.nj.us/dep/parksandforests/historic/index.html>. Text telephone users: call N.J. Relay Services at (800) 852-7899.



Statistical Section



**STATE OF NEW JERSEY
STATISTICAL SECTION
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**STATE OF NEW JERSEY
NET ASSETS BY COMPONENT
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)**

	<u>2011</u>	<u>2010</u>	<u>2009*</u>	<u>2008**</u>
<u>Governmental Activities</u>				
Invested in capital assets, net of related debt	\$ 6,999.7	\$ 6,439.8	\$ 7,362.1	\$ 7,135.6
Restricted	3,877.3	4,364.6	4,298.6	5,492.5
Unrestricted	<u>(44,297.2)</u>	<u>(39,005.6)</u>	<u>(33,419.6)</u>	<u>(26,403.0)</u>
Total	<u>(33,420.2)</u>	<u>(28,201.2)</u>	<u>(21,758.9)</u>	<u>(13,774.9)</u>
<u>Business-type Activities</u>				
Restricted	10.9	10.2	321.0	1,316.7
Unrestricted	<u>(794.9)</u>	<u>(776.6)</u>	<u>-</u>	<u>-</u>
Total	<u>(784.0)</u>	<u>(766.4)</u>	<u>321.0</u>	<u>1,316.7</u>
<u>Total Primary Government</u>				
Invested in capital assets, net of related debt	6,999.7	6,439.8	7,362.1	7,135.6
Restricted	3,888.2	4,374.8	4,619.6	6,809.2
Unrestricted	<u>(45,092.1)</u>	<u>(39,782.2)</u>	<u>(33,419.6)</u>	<u>(26,403.0)</u>
Total	<u>\$ (34,204.2)</u>	<u>\$ (28,967.6)</u>	<u>\$ (21,437.9)</u>	<u>\$ (12,458.2)</u>

Notes:

* Net Assets was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

** Net Assets was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

Information presented is based on the accrual basis of accounting.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 6,452.0	\$ 5,981.9	\$ 6,575.3	\$ 6,167.1	\$ 4,907.4	\$ 4,781.8
5,796.5	5,625.8	4,795.3	3,715.3	4,175.0	3,453.5
<u>(20,753.5)</u>	<u>(19,723.0)</u>	<u>(18,987.8)</u>	<u>(14,270.9)</u>	<u>(10,881.7)</u>	<u>(8,258.0)</u>
<u>(8,505.0)</u>	<u>(8,115.3)</u>	<u>(7,617.2)</u>	<u>(4,388.5)</u>	<u>(1,799.3)</u>	<u>(22.7)</u>
1,143.2	1,500.6	1,682.9	1,697.7	2,219.8	2,974.6
-	<u>(2.8)</u>	<u>(1.3)</u>	-	-	<u>(59.7)</u>
<u>1,143.2</u>	<u>1,497.8</u>	<u>1,681.6</u>	<u>1,697.7</u>	<u>2,219.8</u>	<u>2,914.9</u>
6,452.0	5,981.9	6,575.3	6,167.1	4,907.4	4,781.8
6,939.7	7,126.4	6,478.2	5,413.0	6,394.8	6,428.1
<u>(20,753.5)</u>	<u>(19,725.8)</u>	<u>(18,989.1)</u>	<u>(14,270.9)</u>	<u>(10,881.7)</u>	<u>(8,317.7)</u>
<u>\$ (7,361.8)</u>	<u>\$ (6,617.5)</u>	<u>\$ (5,935.6)</u>	<u>\$ (2,690.8)</u>	<u>\$ 420.5</u>	<u>\$ 2,892.2</u>

STATE OF NEW JERSEY
CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30 (Expressed in Millions)

	<u>2011</u>	<u>2010</u>	<u>2009*</u>
Governmental Activities			
Expenses			
Public safety and criminal justice	\$ 3,169.2	\$ 3,133.2	\$ 3,087.7
Physical and mental health	11,392.4	10,989.6	10,589.0
Educational, cultural, and intellectual development	14,091.6	15,013.1	14,681.3
Community development and environmental management	1,694.1	2,166.9	2,271.8
Economic planning, development, and security	6,729.5	6,663.1	6,126.8
Transportation programs	1,927.5	2,017.7	1,859.2
Government direction, management, and control	11,671.6	11,627.1	11,846.1
Special government services	348.9	337.9	364.5
Interest expense	1,227.7	1,125.9	1,092.4
Total Expenses	<u>52,252.5</u>	<u>53,074.5</u>	<u>51,918.8</u>
Program Revenues			
Charges for services			
Public safety and criminal justice	1,033.6	1,038.8	1,027.1
Physical and mental health	912.3	875.7	851.7
Educational, cultural, and intellectual development	119.8	118.8	119.9
Community development and environmental management	302.5	381.5	283.2
Economic planning, development, and security	1,190.5	1,207.8	1,185.2
Transportation programs	27.5	24.0	27.3
Government direction, management, and control	995.3	846.8	910.0
Special government services	154.5	128.2	148.3
Operating grants and contributions	13,326.1	14,240.8	11,375.9
Capital grants and contributions	139.6	212.5	204.1
Total Program Revenues	<u>18,201.7</u>	<u>19,074.9</u>	<u>16,132.7</u>
Net (Expense) Revenue	(34,050.8)	(33,999.6)	(35,786.1)
General Revenues and Transfers			
Taxes	26,569.4	25,745.0	26,910.6
Investment earnings	48.9	(63.1)	(263.5)
Miscellaneous	762.0	818.9	890.5
Transfers	1,451.5	1,056.5	264.5
Special Item - gain on sale of tobacco rights	-	-	-
Total General Revenue and Transfers	<u>28,831.8</u>	<u>27,557.3</u>	<u>27,802.1</u>
Change in Net Assets	(5,219.0)	(6,442.3)	(7,984.0)
Net Assets - July 1	<u>(28,201.2)</u>	<u>(21,758.9)</u>	<u>(13,774.9)</u>
Net Assets - June 30	<u>\$ (33,420.2)</u>	<u>\$ (28,201.2)</u>	<u>\$ (21,758.9)</u>

Notes:

* Net Assets was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

** Net Assets was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

Information presented is based on the accrual basis of accounting.

<u>2008**</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 3,211.8	\$ 3,189.7	\$ 2,827.9	\$ 2,916.8	\$ 2,652.5	\$ 2,504.5	\$ 2,485.0
10,177.4	9,682.1	9,729.9	9,565.4	8,809.3	9,305.6	8,952.4
15,552.6	14,968.4	14,200.5	13,609.3	12,562.2	10,686.3	10,117.8
2,502.0	2,484.5	2,205.4	1,997.6	1,228.7	1,959.0	2,207.6
5,487.7	5,300.7	4,914.9	4,123.7	3,714.1	4,046.6	3,577.1
1,717.9	2,913.0	2,435.1	1,724.2	1,774.0	1,561.1	1,541.6
11,598.7	5,835.8	8,251.4	8,086.4	6,027.8	5,763.2	4,951.3
344.1	327.5	239.6	291.6	264.9	236.3	227.2
1,048.3	975.0	537.0	791.6	750.4	574.7	540.8
<u>51,640.5</u>	<u>45,676.7</u>	<u>45,341.7</u>	<u>43,106.6</u>	<u>37,783.9</u>	<u>36,637.3</u>	<u>34,600.8</u>
1,046.9	1,080.3	1,036.6	1,003.4	968.7	1,136.0	1,004.5
853.2	714.0	834.6	782.5	703.6	626.2	599.7
117.1	111.1	115.8	112.6	97.3	319.4	85.9
282.7	271.5	267.6	258.4	244.6	270.8	208.0
1,055.9	1,044.9	928.3	699.2	517.7	569.4	522.3
11.7	15.5	19.6	15.3	15.1	5.8	6.5
941.0	1,081.7	1,652.3	1,595.1	693.5	876.4	551.5
118.0	131.7	145.8	135.0	100.5	96.7	73.9
10,231.0	10,032.7	9,708.5	9,156.4	8,985.0	9,151.1	9,233.0
116.6	108.5	174.3	125.8	140.9	30.6	23.8
<u>14,774.1</u>	<u>14,591.9</u>	<u>14,883.4</u>	<u>13,883.7</u>	<u>12,466.9</u>	<u>13,082.4</u>	<u>12,309.1</u>
(36,866.4)	(31,084.8)	(30,458.3)	(29,222.9)	(25,317.0)	(23,554.9)	(22,291.7)
30,441.3	28,983.4	26,714.1	23,308.2	20,940.6	19,347.3	18,049.8
181.3	271.7	183.0	84.3	59.8	61.1	42.8
753.6	752.9	1,627.3	1,569.1	1,939.1	1,647.5	2,194.6
220.3	883.2	1,435.8	1,032.6	(211.7)	716.9	725.3
-	-	-	-	-	5.5	-
<u>31,596.5</u>	<u>30,891.2</u>	<u>29,960.2</u>	<u>25,994.2</u>	<u>22,727.8</u>	<u>21,778.3</u>	<u>21,012.5</u>
(5,269.9)	(193.6)	(498.1)	(3,228.7)	(2,589.2)	(1,776.6)	(1,279.2)
(8,505.0)	(8,311.4)	(7,617.2)	(4,388.5)	(1,799.3)	(22.7)	1,256.5
<u>\$ (13,774.9)</u>	<u>\$ (8,505.0)</u>	<u>\$ (8,115.3)</u>	<u>\$ (7,617.2)</u>	<u>\$ (4,388.5)</u>	<u>\$ (1,799.3)</u>	<u>\$ (22.7)</u>

STATE OF NEW JERSEY
CHANGES IN NET ASSETS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30 (Expressed in Millions)

	<u>2011</u>	<u>2010</u>	<u>2009*</u>
<u>Business-type Activities</u>			
Expenses			
State Lottery Fund	\$ 1,724.3	\$ 1,705.0	\$ 1,645.7
Unemployment Compensation Fund	7,206.7	8,214.4	5,283.6
Other	-	-	-
Total Expenses	<u>8,931.0</u>	<u>9,919.4</u>	<u>6,929.3</u>
Program Revenues			
Charges for services			
State Lottery Fund	2,676.9	2,648.3	2,538.1
Unemployment Compensation Fund	2,780.3	2,172.5	1,855.2
Other	-	-	-
Operating grants	4,408.5	4,953.4	2,351.9
Total Program Revenues	<u>9,865.7</u>	<u>9,774.2</u>	<u>6,745.2</u>
Net (Expense) Revenue	934.7	(145.2)	(184.1)
General Revenues and Transfers			
Government subsidies and grants	-	-	-
Transfers	(952.3)	(942.2)	(811.6)
Total General Revenue and Transfers	<u>(952.3)</u>	<u>(942.2)</u>	<u>(811.6)</u>
Change in Net Assets	(17.6)	(1,087.4)	(995.7)
Net Assets - July 1	(766.4)	321.0	1,316.7
Net Assets - June 30	<u>\$ (784.0)</u>	<u>\$ (766.4)</u>	<u>\$ 321.0</u>
<u>Total Primary Government</u>			
Expenses	\$ 61,183.5	\$ 62,993.9	\$ 58,848.1
Program revenues	28,067.4	28,849.1	22,877.9
Net (Expense) Revenue	<u>(33,116.1)</u>	<u>(34,144.8)</u>	<u>(35,970.2)</u>
General revenues and other changes in net assets	27,879.5	26,615.1	26,990.5
Change in Net Assets	(5,236.6)	(7,529.7)	(8,979.7)
Net Assets - July 1	(28,967.6)	(21,437.9)	(12,458.2)
Net Assets - June 30	<u>\$ (34,204.2)</u>	<u>\$ (28,967.6)</u>	<u>\$ (21,437.9)</u>

Notes:

- * Net Assets was restated by \$288.5 million to reflect the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.
- ** Net Assets was restated by \$267.1 million to reflect revised land improvements, building improvements and infrastructure balances, net of depreciation, offset by \$7.0 million as the result of implementing GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*.

Information presented is based on the accrual basis of accounting.

<u>2008**</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 1,667.6	\$ 1,544.2	\$ 1,573.3	\$ 1,476.4	\$ 1,413.2	\$ 1,339.0	\$ 1,304.7
2,119.2	1,937.4	1,828.5	1,948.5	2,481.5	2,876.3	2,497.1
-	-	1,959.0	1,860.6	1,700.7	1,367.1	1,217.5
<u>3,786.8</u>	<u>3,481.6</u>	<u>5,360.8</u>	<u>5,285.5</u>	<u>5,595.4</u>	<u>5,582.4</u>	<u>5,019.3</u>
2,579.3	2,392.3	2,441.5	2,305.7	2,231.1	2,113.0	2,098.2
1,980.0	1,915.1	1,447.0	1,768.3	1,407.2	1,177.4	823.6
-	-	1,971.4	1,824.4	1,679.2	1,416.0	1,110.2
71.3	73.3	102.9	103.6	481.8	897.8	847.9
<u>4,630.6</u>	<u>4,380.7</u>	<u>5,962.8</u>	<u>6,002.0</u>	<u>5,799.3</u>	<u>5,604.2</u>	<u>4,879.9</u>
843.8	899.1	602.0	716.5	203.9	21.8	(139.4)
-	-	-	-	-	-	246.8
<u>(670.3)</u>	<u>(883.2)</u>	<u>(785.8)</u>	<u>(732.6)</u>	<u>(726.0)</u>	<u>(716.9)</u>	<u>(725.3)</u>
<u>(670.3)</u>	<u>(883.2)</u>	<u>(785.8)</u>	<u>(732.6)</u>	<u>(726.0)</u>	<u>(716.9)</u>	<u>(478.5)</u>
173.5	15.9	(183.8)	(16.1)	(522.1)	(695.1)	(617.9)
<u>1,143.2</u>	<u>1,127.3</u>	<u>1,681.6</u>	<u>1,697.7</u>	<u>2,219.8</u>	<u>2,914.9</u>	<u>3,532.8</u>
<u>\$ 1,316.7</u>	<u>\$ 1,143.2</u>	<u>\$ 1,497.8</u>	<u>\$ 1,681.6</u>	<u>\$ 1,697.7</u>	<u>\$ 2,219.8</u>	<u>\$ 2,914.9</u>
\$ 55,427.3	\$ 49,158.3	\$ 50,702.5	\$ 48,392.1	\$ 43,379.3	\$ 42,219.7	\$ 39,620.1
<u>19,404.7</u>	<u>18,972.6</u>	<u>20,846.2</u>	<u>19,885.7</u>	<u>18,266.2</u>	<u>18,686.6</u>	<u>17,189.0</u>
<u>(36,022.6)</u>	<u>(30,185.7)</u>	<u>(29,856.3)</u>	<u>(28,506.4)</u>	<u>(25,113.1)</u>	<u>(23,533.1)</u>	<u>(22,431.1)</u>
<u>30,926.2</u>	<u>30,008.0</u>	<u>29,174.4</u>	<u>25,261.6</u>	<u>22,001.8</u>	<u>21,061.4</u>	<u>20,534.0</u>
(5,096.4)	(177.7)	(681.9)	(3,244.8)	(3,111.3)	(2,471.7)	(1,897.1)
<u>(7,361.8)</u>	<u>(7,184.1)</u>	<u>(5,935.6)</u>	<u>(2,690.8)</u>	<u>420.5</u>	<u>2,892.2</u>	<u>4,789.3</u>
<u>\$ (12,458.2)</u>	<u>\$ (7,361.8)</u>	<u>\$ (6,617.5)</u>	<u>\$ (5,935.6)</u>	<u>\$ (2,690.8)</u>	<u>\$ 420.5</u>	<u>\$ 2,892.2</u>

STATE OF NEW JERSEY
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

	<u>2011*</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>General Fund</u>				
Reserved				
Encumbrances	\$ -	\$ 799.0	\$ 868.4	\$ 923.9
Surplus Revenue	-	-	-	734.7
Other	-	47.3	46.2	65.8
Unreserved	-	1,833.9	2,185.5	2,816.9
Nonspendable	20.4	-	-	-
Restricted	985.9	-	-	-
Committed	1,896.9	-	-	-
Unassigned	864.1	-	-	-
Total General Fund	<u>3,767.3</u>	<u>2,680.2</u>	<u>3,100.1</u>	<u>4,541.3</u>
<u>All Other Governmental Funds</u>				
Reserved				
Encumbrances	-	1,127.3	1,195.1	1,247.4
Other	-	1,882.0	1,716.6	1,633.1
Unreserved	-	1,697.2	2,122.1	2,732.8
Nonspendable	-	-	-	-
Restricted	3,417.8	-	-	-
Committed	1,127.7	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>4,545.5</u>	<u>4,706.5</u>	<u>5,033.8</u>	<u>5,613.3</u>
<u>Total</u>				
Reserved				
Encumbrances	-	1,926.3	2,063.5	2,171.3
Surplus Revenue	-	-	-	734.7
Other	-	1,929.3	1,762.8	1,698.9
Unreserved	-	3,531.1	4,307.6	5,549.7
Nonspendable	20.4	-	-	-
Restricted	4,403.7	-	-	-
Committed	3,024.6	-	-	-
Unassigned	864.1	-	-	-
Total Governmental Funds	<u>\$ 8,312.8</u>	<u>\$ 7,386.7</u>	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>

Note:

* As a result of implementing GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 53 Special Revenue Funds have been reclassified to the General Fund. In addition, new fund balance classifications are required.

Information presented is based on the modified accrual basis of accounting.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 974.4	\$ 907.6	\$ 839.3	\$ 664.4	\$ 630.8	\$ 584.6
484.6	559.8	288.7	282.4	-	-
251.4	368.1	369.9	312.8	377.2	103.8
2,891.4	2,522.7	1,689.5	1,491.6	1,243.8	1,240.3
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,601.8</u>	<u>4,358.2</u>	<u>3,187.4</u>	<u>2,751.2</u>	<u>2,251.8</u>	<u>1,928.7</u>
1,232.2	896.8	629.3	680.9	700.1	746.3
1,538.6	1,605.3	1,601.6	1,632.2	1,064.1	1,571.1
3,255.2	4,596.9	2,781.7	2,072.0	4,372.0	1,337.8
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,026.0</u>	<u>7,099.0</u>	<u>5,012.6</u>	<u>4,385.1</u>	<u>6,136.2</u>	<u>3,655.2</u>
2,206.6	1,804.4	1,468.6	1,345.3	1,330.9	1,330.9
484.6	559.8	288.7	282.4	-	-
1,790.0	1,973.4	1,971.5	1,945.0	1,441.3	1,674.9
6,146.6	7,119.6	4,471.2	3,563.6	5,615.8	2,578.1
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 10,627.8</u>	<u>\$ 11,457.2</u>	<u>\$ 8,200.0</u>	<u>\$ 7,136.3</u>	<u>\$ 8,388.0</u>	<u>\$ 5,583.9</u>

STATE OF NEW JERSEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
REVENUES				
Taxes	\$ 26,555.1	\$ 25,858.7	\$ 26,939.0	\$ 30,404.5
Federal and other grants	12,781.7	13,592.6	10,694.3	9,480.3
Licenses and fees	1,296.4	1,239.4	1,194.1	1,252.9
Services and assessments	2,792.6	2,695.3	2,712.1	2,613.8
Investment earnings	51.0	41.6	75.0	321.3
Contributions	0.1	-	0.1	0.5
Other	2,611.6	2,773.7	2,834.4	2,537.4
Total Revenues	<u>46,088.5</u>	<u>46,201.3</u>	<u>44,449.0</u>	<u>46,610.7</u>
EXPENDITURES				
Public safety and criminal justice	3,267.1	3,321.5	3,279.2	3,317.5
Physical and mental health	11,407.5	11,007.5	10,628.6	10,251.2
Educational, cultural, and intellectual development	14,313.6	15,233.0	14,892.1	15,760.9
Community development and environmental management	1,766.8	2,272.4	2,437.0	2,659.1
Economic planning, development, and security	6,773.5	6,706.5	6,203.0	5,603.1
Transportation programs	2,919.6	3,092.7	2,835.4	2,788.1
Government direction, management, and control	6,170.6	6,775.3	7,168.3	7,946.5
Special government services	350.5	338.8	346.0	331.8
Capital Outlay	81.7	39.1	32.0	318.6
Debt Service:				
Principal	423.3	486.4	639.1	613.9
Interest	834.7	856.7	843.7	805.4
Total Expenditures	<u>48,308.9</u>	<u>50,129.9</u>	<u>49,304.4</u>	<u>50,396.1</u>
Excess (deficiency) of revenues over expenditures	<u>(2,220.4)</u>	<u>(3,928.6)</u>	<u>(4,855.4)</u>	<u>(3,785.4)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	1,600.0	1,365.9	1,539.0	1,507.7
Transfers from (to) other funds	1,451.5	1,056.5	267.5	220.3
Other	95.0	759.0	1,035.2	1,584.2
Total	<u>3,146.5</u>	<u>3,181.4</u>	<u>2,841.7</u>	<u>3,312.2</u>
Change in Fund Balance	926.1	(747.2)	(2,013.7)	(473.2)
Fund balances - July 1	<u>7,386.7</u>	<u>8,133.9</u>	<u>10,147.6</u> ***	<u>10,627.8</u>
Fund balances - June 30	<u>\$ 8,312.8</u>	<u>\$ 7,386.7</u>	<u>\$ 8,133.9</u>	<u>\$ 10,154.6</u>
Debt Service as a percentage of noncapital expenditures:**	2.7%	2.8%	3.1%	2.9%

Notes:

* As a result of implementing GASB Statement No. 43, *Financial Reporting For Post Employment Benefit Plans Other Than Pension Plans*, three Special Revenue Funds were reclassified to Fiduciary Funds. This reclassification reduced the Fiscal Year 2007 beginning fund balance by \$196.1 million.

** Debt service as a percentage of noncapital expenditures is defined as total debt service divided by total expenditures minus capital outlay and expenditures for capitalized assets included within the functional categories.

*** As a result of implementing GASB Statement No. 49, *Accounting and Financial Reporting For Pollution Remediation Obligations*, fund balance was restated and reduced by \$7.0 million.

Information presented is based on the modified accrual basis of accounting.

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	29,123.4	\$ 25,909.3	\$ 23,395.5	\$ 21,008.9	\$ 19,491.1	\$ 18,196.3
	9,389.9	9,122.2	8,594.9	8,495.2	7,954.5	7,658.5
	1,361.5	959.8	930.6	811.5	979.1	875.1
	2,525.4	2,493.6	2,172.7	1,835.3	1,798.6	1,705.5
	440.8	321.7	149.2	96.9	103.0	101.1
	0.1	662.6	646.7	281.9	510.3	231.3
	2,424.7	3,628.9	3,508.8	3,213.8	6,560.9	3,560.6
	<u>45,265.8</u>	<u>43,098.1</u>	<u>39,398.4</u>	<u>35,743.5</u>	<u>37,397.5</u>	<u>32,328.4</u>
	3,247.0	3,155.7	2,989.7	2,733.5	2,548.0	2,546.8
	9,703.7	9,732.6	9,603.5	8,826.6	9,315.2	8,863.6
	15,173.6	14,405.1	13,909.5	12,723.6	10,813.0	10,249.9
	2,618.8	2,446.6	2,341.5	2,160.1	2,050.0	2,260.5
	5,376.6	4,981.2	4,233.2	3,763.6	4,087.1	3,620.8
	2,855.2	3,106.2	2,483.8	2,551.9	2,225.7	2,252.4
	6,783.5	7,134.2	7,335.6	5,505.4	5,476.9	5,199.0
	328.0	313.3	299.9	270.9	239.1	230.7
	105.0	573.5	237.6	326.3	863.1	1,122.3
	558.2	48.2	390.5	483.4	418.7	399.4
	779.7	361.3	623.3	650.5	457.8	439.2
	<u>47,529.3</u>	<u>46,257.9</u>	<u>44,448.1</u>	<u>39,995.8</u>	<u>38,494.6</u>	<u>37,184.6</u>
	<u>(2,263.5)</u>	<u>(3,159.8)</u>	<u>(5,049.7)</u>	<u>(4,252.3)</u>	<u>(1,097.1)</u>	<u>(4,856.2)</u>
	48.8	2,850.1	1,000.5	1,139.8	895.0	1,014.6
	883.3	1,435.8	1,032.6	(211.7)	716.9	725.3
	698.1	2,131.1	4,080.3	2,072.5	2,289.3	1,122.3
	<u>1,630.2</u>	<u>6,417.0</u>	<u>6,113.4</u>	<u>3,000.6</u>	<u>3,901.2</u>	<u>2,862.2</u>
	(633.3)	3,257.2	1,063.7	(1,251.7)	2,804.1	(1,994.0)
	11,261.1 *	8,200.0	7,136.3	8,388.0	5,583.9	7,577.9
\$	<u>10,627.8</u>	<u>\$ 11,457.2</u>	<u>\$ 8,200.0</u>	<u>\$ 7,136.3</u>	<u>\$ 8,388.0</u>	<u>\$ 5,583.9</u>
	2.8%	0.9%	2.3%	2.9%	2.3%	2.4%

STATE OF NEW JERSEY
FUND BALANCE SUMMARY FOR BUDGETED FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

<u>Budgeted Fund</u>	Comprehensive Annual Financial Report			
	2011	2010	2009	2008
General Fund	\$ 864.1	\$ 794.3	\$ 614.2	\$ 469.8
Surplus Revenue Fund	-	-	-	734.7
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	5.8	10.0	-	99.0
Casino Control Fund	2.8	-	(0.4)	3.0
Casino Revenue Fund	-	-	-	-
Gubernatorial Elections Fund	0.5	-	-	-
Total	<u>\$ 873.2</u>	<u>\$ 804.3</u>	<u>\$ 613.8</u>	<u>\$ 1,306.5</u>

<u>Budgeted Fund</u>	Appropriations Act			
	2011	2010	2009	2008
General Fund	\$ 302.5	\$ 501.0	\$ 116.8	\$ 102.5
Surplus Revenue Fund	-	-	483.2	489.8
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	-	-	-	-
Casino Control Fund	-	-	-	-
Casino Revenue Fund	-	-	-	10.0
Gubernatorial Elections Fund	0.7	-	-	-
Total	<u>\$ 303.2</u>	<u>\$ 501.0</u>	<u>\$ 600.0</u>	<u>\$ 602.3</u>

<u>Budgeted Fund</u>	Dollar Variance			
	2011	2010	2009	2008
General Fund	\$ 561.6	\$ 293.3	\$ 497.4	\$ 367.3
Surplus Revenue Fund	-	-	(483.2)	244.9
Debt Avoidance and Retirement Fund	-	-	-	-
Property Tax Relief Fund	5.8	10.0	-	99.0
Casino Control Fund	2.8	-	(0.4)	3.0
Casino Revenue Fund	-	-	-	(10.0)
Gubernatorial Elections Fund	(0.2)	-	-	-
Total	<u>\$ 570.0</u>	<u>\$ 303.3</u>	<u>\$ 13.8</u>	<u>\$ 704.2</u>

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

2007	2006	2005	2004	2003	2002
\$ 1,410.4	\$ 1,216.7	\$ 461.7	\$ 376.5	\$ 373.0	\$ 292.3
484.6	559.8	288.6	282.4	-	-
-	-	-	-	-	-
690.7	2.6	27.9	175.2	-	-
1.5	(1.6)	1.3	4.9	4.3	-
1.0	1.0	-	22.7	-	-
-	-	-	-	-	-
<u>\$ 2,588.2</u>	<u>\$ 1,778.5</u>	<u>\$ 779.5</u>	<u>\$ 861.7</u>	<u>\$ 377.3</u>	<u>\$ 292.3</u>

2007	2006	2005	2004	2003	2002
\$ 765.0	\$ 311.6	\$ 109.6	\$ 248.6	\$ 110.4	\$ 298.9
448.6	288.4	288.0	-	-	720.0
-	-	-	-	-	-
46.0	-	-	-	-	-
-	-	2.4	-	-	-
-	-	-	1.5	-	0.6
-	-	-	-	-	-
<u>\$ 1,259.6</u>	<u>\$ 600.0</u>	<u>\$ 400.0</u>	<u>\$ 250.1</u>	<u>\$ 110.4</u>	<u>\$ 1,019.5</u>

2007	2006	2005	2004	2003	2002
\$ 645.4	\$ 905.1	\$ 352.1	\$ 127.9	\$ 262.6	\$ (6.6)
36.0	271.4	0.6	282.4	-	(720.0)
-	-	-	-	-	-
644.7	2.6	27.9	175.2	-	-
1.5	(1.6)	(1.1)	4.9	4.3	-
1.0	1.0	-	21.2	-	(0.6)
-	-	-	-	-	-
<u>\$ 1,328.6</u>	<u>\$ 1,178.5</u>	<u>\$ 379.5</u>	<u>\$ 611.6</u>	<u>\$ 266.9</u>	<u>\$ (727.2)</u>

STATE OF NEW JERSEY
REVENUE SUMMARY FOR BUDGETED FUNDS*
FOR THE FISCAL YEAR ENDED JUNE 30
(Expressed in Millions)

<u>Major Tax</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Gross Income Tax	\$ 10,617.0	\$ 10,322.9	\$ 10,476.3	\$ 12,605.5
Sales and Use Tax	8,144.4	7,898.2	8,264.2	8,915.5
Corporation Business Tax	2,344.4	2,144.6	2,665.2	3,062.4
Other Major Taxes	2,902.2	2,831.7	2,884.5	3,033.7
Miscellaneous Taxes, Fees	3,394.6	3,398.4	3,292.4	3,598.9
State Lottery	930.0	924.0	887.2	882.1
Casino Taxes and Fees	327.1	360.2	415.5	486.0
Total	<u>\$ 28,659.7</u>	<u>\$ 27,880.0</u>	<u>\$ 28,885.3</u>	<u>\$ 32,584.1</u>

* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

STATE OF NEW JERSEY
REVENUE SUMMARY FOR BUDGETED FUNDS*
PERCENT DISTRIBUTION BY MAJOR TAX
FOR THE FISCAL YEAR ENDED JUNE 30

<u>Major Tax</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Gross Income Tax	37.1 %	37.0 %	36.3 %	38.7 %
Sales and Use Tax	28.5	28.3	28.6	27.4
Corporation Business Tax	8.2	7.7	9.2	9.4
Other Major Taxes	10.1	10.2	10.0	9.3
Miscellaneous Taxes, Fees	11.8	12.2	11.4	11.0
State Lottery	3.2	3.3	3.1	2.7
Casino Taxes and Fees	1.1	1.3	1.4	1.5
Total	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

	2007	2006	2005	2004	2003	2002
\$	11,727.2	\$ 10,506.6	\$ 9,537.9	\$ 7,400.7	\$ 6,735.3	\$ 6,837.0
	8,609.6	6,853.4	6,552.2	6,261.7	5,936.1	5,996.8
	3,084.9	3,007.8	2,368.1	2,370.2	2,525.4	1,171.5
	2,967.0	3,544.7	3,244.0	3,028.0	2,837.3	2,489.1
	3,465.9	3,324.0	4,988.5	4,472.4	4,265.2	2,911.5
	828.3	844.2	812.0	795.0	765.4	754.5
	525.8	570.3	540.0	532.7	413.9	413.0
\$	<u>31,208.7</u>	<u>\$ 28,651.0</u>	<u>\$ 28,042.7</u>	<u>\$ 24,860.7</u>	<u>\$ 23,478.6</u>	<u>\$ 20,573.4</u>

	2007	2006	2005	2004	2003	2002
	37.6 %	36.7 %	34.0 %	29.8 %	28.7 %	33.2 %
	27.6	23.9	23.4	25.2	25.3	29.1
	9.9	10.5	8.4	9.5	10.7	5.7
	9.4	12.4	11.6	12.2	12.1	12.1
	11.1	11.6	17.8	18.0	18.2	14.2
	2.7	2.9	2.9	3.2	3.2	3.7
	1.7	2.0	1.9	2.1	1.8	2.0
	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

STATE OF NEW JERSEY
REAL GROSS STATE PRODUCT BY INDUSTRY
FOR THE CALENDAR YEAR ENDED DECEMBER 31
(Expressed in Billions)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Gross State Product *	\$ 438.7	\$ 428.2	\$ 445.5	\$ 444.7
<u>Goods Producing Sector</u>				
Agriculture, forestry, fishing, and hunting	0.7	0.7	0.7	0.7
Mining	0.1	0.1	-	0.1
Manufacturing	33.4	32.2	37.4	39.7
Construction	12.4	12.7	14.9	15.6
<u>Private Service Producing Sector</u>				
Transportation and warehousing	12.4	12.2	14.0	14.0
Information	24.4	23.3	24.3	23.6
Utilities	7.8	6.3	7.1	6.8
Wholesale trade	37.9	36.2	35.5	36.0
Retail trade	27.6	26.2	27.1	29.3
Finance and insurance	37.8	36.5	37.4	35.1
Real estate, rental, and leasing	77.4	76.1	77.2	76.0
Services **	113.5	112.3	115.4	113.3
Other services	8.4	8.2	9.3	9.3
<u>Government Sector</u>	46.1	46.2	46.3	45.7
Total Personal Income ***	446.5	435.2	448.0	436.1

Notes:

* Gross State Product data, which is expressed in billions of chained Calendar Year 2005 dollars, has been revised for Calendar Years 2001 through 2010. Industry numbers do not sum to the total because of technical considerations.

** Services include professional and technical services, management of companies and enterprises, administrative and waste services, educational services, health care and social services, arts, entertainment and recreation, and accommodation and food services.

*** Total Personal Income data, which is expressed in billions of current dollars, has been revised for Calendar Years 2001 through 2010.

Source:

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

2006	2005	2004	2003	2002	2001
\$ 440.6	\$ 430.0	\$ 423.7	\$ 415.3	\$ 407.4	\$ 402.0
0.8	0.7	0.6	0.6	0.6	0.6
0.1	0.1	0.2	0.2	0.3	0.4
38.7	37.6	40.8	42.1	40.0	42.6
16.9	17.8	18.7	18.8	19.5	20.1
13.9	13.5	12.5	11.7	11.1	11.2
20.9	20.9	20.0	18.0	17.7	15.7
6.5	6.8	7.1	6.7	6.4	6.4
34.0	33.8	34.6	33.8	31.3	31.8
28.7	28.3	28.3	29.0	28.5	27.1
40.1	36.8	32.0	32.2	34.3	33.2
74.3	71.9	71.1	67.8	65.1	63.8
111.6	107.9	104.2	101.7	100.0	97.9
9.3	9.4	9.3	9.2	9.4	9.1
44.4	44.4	44.3	43.5	43.3	42.6
411.4	379.7	365.3	347.7	341.6	336.6

**STATE OF NEW JERSEY
GROSS INCOME TAX RATES
FOR THE CALENDAR YEAR ENDED DECEMBER 31**

Top Income Tax Rate Is Applied To Taxable Income In Excess Of

Year	Top Rate	Single	Married Filing Jointly	Head of Household	Average Effective Rate*
2002	6.37 %	\$ 75,000	\$ 150,000	\$ 150,000	2.56 %
2003	6.37	75,000	150,000	150,000	2.59
2004	8.97	500,000	500,000	500,000	3.02
2005	8.97	500,000	500,000	500,000	3.07
2006	8.97	500,000	500,000	500,000	3.31
2007	8.97	500,000	500,000	500,000	3.27
2008	8.97	500,000	500,000	500,000	3.20
2009	10.75	1,000,000	1,000,000	1,000,000	3.27
2010	8.97	500,000	500,000	500,000	3.12
2011	8.97	500,000	500,000	500,000	3.21

* Net tax divided by New Jersey Gross Income for full-time resident returns with a tax liability. Data for 2009 has been revised. Data for 2010 and 2011 are estimates based on projections.

Source:

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY
GROSS INCOME TAX (GIT) FILERS AND LIABILITY BY INCOME LEVEL
2009 AS COMPARED TO 2000
(GIT Liability Expressed in Millions)**

Income Level	2009				2000			
	Number of Filers	Percent of Total	GIT Liability	Percent of Total	Number of Filers	Percent of Total	GIT Liability	Percent of Total
\$500,001 and higher	38,496	1.3 %	\$ 3,188.8	37.1 %	32,283	1.2 %	\$ 2,514.0	38.6 %
\$250,001 - \$500,000	94,959	3.3	1,246.1	14.5	60,849	2.3	827.8	12.7
\$100,001 - \$250,000	628,882	21.8	2,714.0	31.6	382,957	14.5	1,661.8	25.5
\$75,001 - \$100,000	296,693	10.3	525.5	6.1	275,812	10.4	499.1	7.7
\$50,001 - \$75,000	475,633	16.5	521.6	6.1	444,036	16.8	494.5	7.6
\$35,001 - \$50,000	394,454	13.6	222.3	2.6	402,778	15.2	256.2	3.9
\$20,001 - \$35,000	410,673	14.2	119.4	1.4	540,052	20.4	189.8	2.9
\$10,001 - \$20,000	287,615	10.0	43.3	0.5	428,873	16.2	63.7	1.0
\$0 - \$10,000	260,938	9.0	13.7	0.1	79,939	3.0	5.0	0.1
Total	2,888,343	100.0 %	\$ 8,594.7	100.0 %	2,647,579	100.0 %	\$ 6,511.9	100.0 %

Source:

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY
TAXABLE SALES BY CATEGORY *
FOR THE CALENDAR YEAR ENDED DECEMBER 31**

Year	Dollar Amount (Expressed in Millions)							Sales and Use Tax Rate**
	Manufacturing	Wholesale	Retail	Service	Construction	Other	Total	
2001	\$ 3,354.6	\$ 3,629.9	\$ 48,131.6	\$ 21,202.6	\$ 1,540.5	\$ 899.7	\$ 78,758.9	6.0 %
2002	3,257.3	3,510.2	50,935.5	23,411.0	1,492.7	969.0	83,575.7	6.0
2003	3,242.1	3,639.6	53,759.1	23,218.0	1,601.1	1,113.5	86,573.4	6.0
2004	3,765.9	3,989.7	56,323.9	23,484.8	1,733.7	1,232.4	90,530.4	6.0
2005	4,444.0	4,184.4	58,128.6	24,109.2	1,907.7	1,301.6	94,075.5	6.0
2006	5,012.6	4,447.5	58,753.8	25,560.4	2,089.2	1,421.9	97,285.4	7.0
2007	5,444.0	4,736.0	59,744.4	29,449.5	2,216.1	1,618.6	103,208.6	7.0
2008	5,654.4	4,414.6	57,070.2	29,065.3	2,169.9	1,880.3	100,254.7	7.0
2009	5,158.8	4,010.3	53,338.2	27,480.6	1,823.2	1,835.6	93,646.7	7.0
2010	5,318.7	4,164.1	54,131.5	28,231.9	1,862.3	1,813.6	95,522.1	7.0

Year	Percent Distribution									
	Manufacturing	Wholesale	Retail	Service	Construction	Other	Total			
2001	4.3 %	4.6 %	61.1 %	26.9 %	2.0 %	1.1 %	100.0 %			
2002	3.9	4.2	60.9	28.0	1.8	1.2	100.0			
2003	3.7	4.2	62.1	26.8	1.8	1.4	100.0			
2004	4.2	4.4	62.2	25.9	1.9	1.4	100.0			
2005	4.7	4.4	61.8	25.6	2.0	1.5	100.0			
2006	5.2	4.6	60.4	26.3	2.1	1.4	100.0			
2007	5.3	4.6	57.9	28.5	2.1	1.6	100.0			
2008	5.6	4.4	56.9	29.0	2.2	1.9	100.0			
2009	5.5	4.3	57.0	29.3	1.9	2.0	100.0			
2010	5.6	4.4	56.7	29.6	2.0	1.7	100.0			

Notes:

* Category data from 2001 through 2009 has been revised.

** Effective July 15, 2006, the New Jersey Sales and Use Tax rate increased from 6.0 percent to 7.0 percent.

Source:

New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

STATE OF NEW JERSEY
RATIO OF OUTSTANDING LONG-TERM DEBT
2002-2011

(Expressed in Thousands Except for General Long-Term Debt Ratios)

<u>Governmental Activities</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Bonded Debt</u>			
General Obligation Bonds	\$ 2,566,895	\$ 2,596,740	\$ 2,526,710
Revenue Bonds Payable	19,770,565	18,576,710	16,838,010
Capital Leases	232,565	251,460	269,440
Installment Obligations	18,714,603	18,968,688	18,716,431
Certificates of Participation	85,413	30,546	35,130
Tobacco Settlement Financing Corporation	4,469,033	4,492,958	4,524,563
Unamortized Deferral on Refunding	(970,473)	(773,135)	(793,694)
Unamortized Interest on Capital Appreciation Bonds	(8,216,199)	(8,556,994)	(7,960,065)
Unamortized Premium	1,403,949	1,323,722	1,356,541
Total Bonded Debt	38,056,351	36,910,695	35,513,066
<u>Non-Bonded Debt</u>			
Accumulated Sick and Vacation Payable	623,185	566,750	635,820
Capital Leases	311,219	351,766	379,729
Loans Payable	1,279,358	1,279,358	1,279,358
Net Other Postemployment Benefits (OPEB) Obligation	13,501,000	10,028,800	6,636,300
Net Pension Obligation	10,857,719	8,403,007	6,365,698
Pollution Remediation	80,401	92,654	101,829
Other	340,255	300,926	304,727
Total Non-Bonded Debt	26,993,137	21,023,261	15,703,461
Grand Total	\$ 65,049,488	\$ 57,933,956	\$ 51,216,527
New Jersey Total Personal Income	\$ 461,018,000	\$ 446,464,000	\$ 435,217,000
Percentage of Personal Income*	8.3%	8.3%	8.2%
New Jersey Population	8,842	8,733	8,694
General Obligation Debt Per Capita	\$ 290.31	\$ 297.35	\$ 290.63
Total Long-Term Debt Per Capita*	\$ 4,304.04	\$ 4,226.58	\$ 4,084.78

Notes:

* Debt expressed as a percentage of personal income equals total bonded debt divided by New Jersey personal income; total long-term debt per capita equals total bonded debt divided by New Jersey population.
Fiscal Year 2011 data for New Jersey Total Personal Income and New Jersey Population are estimates; prior years may reflect revisions.

Sources:

New Jersey Department of the Treasury, Office of Management and Budget.
New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.
United States Census Bureau, Population Division.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	2,818,535	\$ 2,864,690	\$ 3,132,755	\$ 3,156,375	\$ 3,301,005	\$ 3,366,605	\$ 3,249,855
	13,702,395	12,739,620	12,975,955	7,856,005	7,229,340	6,520,530	5,885,515
	286,555	297,830	308,575	130,340	137,535	126,960	135,150
	18,218,030	17,185,158	16,896,002	15,373,185	11,741,335	10,149,031	9,062,246
	54,708	58,836	60,559	66,148	77,392	81,662	100,950
	4,591,409	4,643,694	3,248,580	3,280,155	3,329,406	3,345,107	-
	(865,654)	(924,227)	(604,570)	(533,008)	(223,754)	(211,909)	(104,984)
	(6,347,598)	(6,522,644)	(5,673,484)	(3,211,862)	(3,311,643)	(3,435,380)	(3,290,843)
	1,412,761	1,397,407	1,500,850	1,204,377	498,641	365,248	193,961
	<u>33,871,141</u>	<u>31,740,364</u>	<u>31,845,222</u>	<u>27,321,715</u>	<u>22,779,257</u>	<u>20,307,854</u>	<u>15,231,850</u>
	595,856	578,527	518,561	488,913	466,126	449,934	477,003
	410,552	384,982	430,768	538,926	553,984	515,331	413,130
	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358	1,279,358
	3,177,400	-	-	-	-	-	-
	4,759,367	3,761,279	2,953,944	1,796,799	845,563	115,033	81,687
	-	-	-	-	-	-	-
	<u>276,655</u>	<u>251,089</u>	<u>417,733</u>	<u>397,545</u>	<u>377,766</u>	<u>332,019</u>	<u>320,083</u>
	<u>10,499,188</u>	<u>6,255,235</u>	<u>5,600,364</u>	<u>4,501,541</u>	<u>3,522,797</u>	<u>2,691,675</u>	<u>2,571,261</u>
\$	<u>44,370,329</u>	<u>\$ 37,995,599</u>	<u>\$ 37,445,586</u>	<u>\$ 31,823,256</u>	<u>\$ 26,302,054</u>	<u>\$ 22,999,529</u>	<u>\$ 17,803,111</u>
\$	447,989,000	\$ 436,120,000	\$ 411,429,000	\$ 379,650,000	\$ 365,260,000	\$ 347,692,000	\$ 341,558,000
	7.6%	7.3%	7.7%	7.2%	6.2%	5.8%	4.5%
	8,657	8,631	8,619	8,620	8,610	8,586	8,543
\$	325.58	\$ 331.91	\$ 363.47	\$ 366.17	\$ 383.39	\$ 392.10	\$ 380.41
\$	3,912.57	\$ 3,677.48	\$ 3,694.77	\$ 3,169.57	\$ 2,645.67	\$ 2,365.23	\$ 1,782.96

**STATE OF NEW JERSEY
STATE CONSTITUTION – LEGAL DEBT LIMITATIONS**

The State Constitution of 1947 provides that the Legislature shall not create a debt or liability in any fiscal year which, together with any previous debts or liabilities, shall exceed one percent of total appropriations for that fiscal year unless the same shall be authorized by a law for some single object or have been submitted to the people at a general election and approved by a majority of State voters. These Constitutional provisions do not apply to the creation of any debt or liability for purposes of war, repelling invasion, suppressing insurrection, or meeting emergencies caused by a disaster or an act of God (N.J. Const. art. VIII, § 2).

All general obligation bonded debt in New Jersey is entered into as a result of successful referenda. As the table below illustrates, the debt margin as defined by the Constitution would prohibit any other method of creation of such debt or liability.

**STATE OF NEW JERSEY
CALCULATION OF LEGAL LIMITS
(Expressed in Millions)**

<u>Fiscal Year</u>	<u>Total Appropriations For Budgeted Funds</u>	<u>Legal Debt Limit</u>
2002	\$ 23,352.2	\$ 233.5
2003	23,726.4	237.2
2004	24,569.1	245.6
2005	28,644.8	286.4
2006	28,087.7	280.8
2007	31,022.8	310.2
2008	34,567.9	345.6
2009	33,059.2	330.5
2010	28,842.5	288.4
2011	29,447.2	294.5

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

STATE OF NEW JERSEY
LEGISLATIVELY AUTHORIZED BUT UNISSUED DEBT, 2011 AND 2010
(Expressed in Millions)

Debt Program *	Year	Amount Authorized	Unissued As Of	
			6/30/2011	6/30/2010
<u>General Obligation Bonds</u>				
Clean Waters	1976	\$ 120.0	\$ 3.4	\$ 3.4
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project	2003	200.0	42.2	42.2
Energy Conservation	1980	50.0	1.6	1.6
Green Acres, Cultural Centers, and Historic Preservation	1987	100.0	1.0	1.0
Green Acres, Farmland, Blue Acres, and Historic Preservation	2007	200.0	59.0	59.0
Green Acres, Farmland and Historic Preservation, and Blue Acres	1995	340.0	21.0	21.0
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation	2009	400.0	400.0	400.0
Hazardous Discharge	1981	100.0	43.0	43.0
Hazardous Discharge	1986	200.0	48.0	48.0
Natural Resources	1980	145.0	9.6	9.6
New Jersey Green Acres	1983	135.0	14.5	14.5
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation	1992	345.0	12.9	12.9
New Jersey Open Space Preservation	1989	300.0	22.6	22.6
Pinelands Infrastructure Trust	1985	30.0	6.8	6.8
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development	1996	300.0	116.5	116.5
Public Purpose Buildings and Community-Based Facilities Construction	1989	125.0	5.0	5.0
Stormwater Management and Combined Sewer Overflow Abatement	1989	50.0	13.0	13.0
Water Supply	1981	350.0	73.1	73.1
Total General Obligation Bonds		3,490.0	893.2	893.2
<u>Revenue Bonds Payable</u>				
<u>Transportation Trust Fund Authority</u>				
Annual Capital Plan **	1995, 2006	15,600.0	1,641.3	3,241.3
Total Revenue Bonds Payable		15,600.0	1,641.3	3,241.3
<u>Installment Obligations</u>				
<u>Economic Development Authority</u>				
Market Transition Facility	1994	750.0	44.7	44.7
School Facilities Construction	2000, 2008	12,500.0	3,851.0	3,851.0
Stem Cell, Life Sciences, and Biomedical Research Facilities	2006	270.0	270.0	270.0
<u>Educational Facilities Authority ***</u>				
Dormitory Safety Trust Fund	2000	90.0	10.8	10.8
Higher Education Capital Improvement Fund	1999	550.0	140.9	117.3
Higher Education Equipment Leasing Fund	1993	100.0	99.6	99.0
Higher Education Facilities Trust Fund	1993	220.0	220.0	199.5
Higher Education Technology Infrastructure Fund	1997	55.0	55.0	55.0
Public Library Project Fund	1999	45.0	11.4	9.3
Total Installment Obligations		14,580.0	4,703.4	4,656.6
Grand Total		\$ 33,670.0	\$ 7,237.9	\$ 8,791.1

Notes:

For debt issued after June 30, 2011, refer to Note 20 - Subsequent Events of the Notes to the Financial Statements.

* The Legislature has authorized additional Revenue Bonds Payable and Installment Obligations programs. These programs, which do not have a limit on the amount of bonds that can be issued in order to fund their associated projects, are not included in this Statistical Section.

** P.L.2006, c.3 reauthorized the New Jersey Transportation Trust Fund Authority, to include capital programs, through Fiscal Year 2011.

*** Prior year data revised due to enacted legislation that allows additional bond debt to be issued up to statutory limit less any outstanding principal debt.

Source:

New Jersey Department of the Treasury, Office of Public Finance.

STATE OF NEW JERSEY
DEBT SERVICE COVERAGE RATIO
(Expressed in Millions Except for Coverage Ratio)

Market Transition Facility Senior Lien Revenue Bonds, Series 1994A
Market Transition Facility Senior Lien Revenue Refunding Bonds, Series 2001A

Prior to implementation of the Fair Automobile Insurance Reform (FAIR) Act of 1990, the New Jersey Automobile Full Insurance Underwriting Association (JUA) existed to provide private passenger automobile insurance policies for high-risk and other drivers unable to obtain insurance in the voluntary market. By 1988, the JUA was insuring over 50% of New Jersey drivers, and annual claims against JUA-insured drivers greatly exceeded the JUA's available revenue. Under the State of New Jersey's FAIR Act, P.L. 1990, c.8 created the Market Transition Facility (MTF) as an interim step to transferring responsibility for JUA-insured drivers to the voluntary market. The State also authorized issuance of MTF bonds to pay off JUA's residual deficit, with bond repayment deriving solely from surcharges assessed on drivers who commit any of the following motor vehicle violations: 1) driving while intoxicated, 2) receiving six or more motor vehicle points during a three-year period preceding imposition of the surcharge, 3) driving without a license, 4) driving without valid insurance, or 5) driving with a suspended license. Scheduled final retirement of the MTF bonds, both Series 1994A and Series 2001A, occurs on July 1, 2011.

Fiscal Year	Motor Vehicle Surcharges	Debt Service			MTF/MVC Surplus	Coverage Ratio
		Principal	Interest	Total		
2002	\$ 128.6	\$ 39.8	\$ 21.9	\$ 61.7	\$ 66.9	2.1
2003	134.3	38.2	27.5	65.7	68.6	2.0
2004	136.6	46.4	25.3	71.7	64.9	1.9
2005	130.0	49.6	22.0	71.6	58.4	1.8
2006	131.7	53.0	19.0	72.0	59.7	1.8
2007	129.0	55.6	16.3	71.9	57.1	1.8
2008	115.9	58.4	13.4	71.8	44.1	1.6
2009	127.5	61.5	10.3	71.8	55.7	1.8
2010	128.8	64.5	7.2	71.7	57.1	1.8
2011	131.8	67.8	3.9	71.7	60.1	1.8

New Jersey Motor Vehicle Commission Bonds, Series 2003A

P.L. 2003, c.13 enacted the State of New Jersey's Motor Vehicle Security and Customer Service Act, which abolished the Department of Transportation's Division of Motor Vehicles and created the New Jersey Motor Vehicle Commission (MVC), a discrete "In-But-Not-Of" agency within the Department of Transportation. During 2003, the State also authorized bond issuance to offset necessary capital expenditures for statewide MVC facility/technology enhancements. Repayment of these bonds, which do not require debt service payments to be made until maturation, will derive from excess surcharge revenues not needed to repay outstanding Market Transition Facility Senior Lien Revenue Bonds, both Series 1994A and Series 2001A. Scheduled final retirement of the MVC bonds occurs on July 1, 2015.

Motor Vehicle Surcharges Revenue Bonds, 2004 Series A

Enactment of P.L. 2004, c.70 enabled the State of New Jersey to authorize issuance of Motor Vehicle Surcharges (MVS) Revenue Bonds, which provided the State with the ability to dedicate an additional revenue source for the purpose of retiring previously issued bonds. Repayment of these bonds derives solely from: 1) unsafe driving surcharges, which are additional fines assessed by the New Jersey Motor Vehicle Commission and collected by the courts from drivers convicted of unsafe driving violations pursuant to P.L. 2000, c.75 et seq., and 2) excess motor vehicle violation surcharge revenues not required for repaying current outstanding debt service on the Market Transition Facility Senior Lien Revenue Bonds, Series 1994A and Series 2004A, and the New Jersey Motor Vehicle Commission Bonds, Series 2003A, or after final retirement of these bonds on July 1, 2011 and July 1, 2015, respectively. Scheduled final retirement of the MVS bonds occurs on July 1, 2034.

Fiscal Year	Unsafe Driver Surcharges	MTF/MVC Surplus	Net Available Revenue	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2007	\$ 45.0	\$ 57.1	\$ 102.1	\$ -	\$ 37.8	\$ 37.8	2.7
2008	44.3	44.1	88.4	-	37.8	37.8	2.3
2009	35.9	55.7	91.6	-	37.8	37.8	2.4
2010	30.5	57.1	87.6	-	37.8	37.8	2.3
2011	27.5	60.1	87.6	-	37.8	37.8	2.3

Motor Vehicle Surcharges Revenue Bonds (Special Needs Housing Program),

2005 Series A and 2007 Series A-1, A-2, & B

P.L. 2005, c.163 enabled the State of New Jersey to authorize issuance of Motor Vehicle Surcharges (MVS) Revenue Bonds-Special Needs Housing Program to provide the New Jersey Housing and Mortgage Finance Agency with funds to develop community residences and permanent supportive housing for individuals with special needs. Repayment of these bonds derives solely from: 1) unsafe driving surcharges, which are additional fines assessed by the New Jersey Motor Vehicle Commission and collected by the courts from drivers convicted of unsafe driving violations pursuant to P.L. 2000, c.75 et seq., and 2) excess motor vehicle violation surcharge revenues not required for repaying current outstanding debt service on the Market Transition Facility Senior Lien Revenue Bonds, Series 1994A and Series 2004A, and the New Jersey Motor Vehicle Commission Bonds, Series 2003A, or after final retirement of these bonds on July 1, 2011 and July 1, 2015, respectively. Scheduled final retirement of the MVS-Special Needs Housing Program bonds, both 2005 Series A and 2007 Series A-1, A-2, & B, occurs on July 1, 2034.

Fiscal Year	MVS Surplus	Debt Service			Coverage Ratio
		Principal	Interest	Total	
2008	\$ 50.6	\$ -	\$ 1.8	\$ 1.8	28.1
2009	53.8	-	5.5	5.5	9.8
2010	49.8	-	5.5	5.5	9.1
2011	49.8	-	5.5	5.5	9.1

Tobacco Settlement Financing Corporation, Inc.

Tobacco Settlement Asset-Backed Bonds, Series 2007-1

On November 23, 1998, the State of New Jersey, as well as 45 other states and six United States jurisdictions, entered into a Master Settlement Agreement (MSA) with participating cigarette manufacturers. Pursuant to a Purchase and Sale Agreement with the Tobacco Settlement Financing Corporation, Inc. (TSFC), New Jersey has sold 76.26 percent of its future rights to receive MSA payments. The purchase price of the State's future rights, title, and interest in Tobacco Settlement Revenues has been financed by the issuance of these bonds. TSFC has pledged these future payments in order to secure these bonds. The State is not obligated to pay, and neither the full faith and credit nor the taxing power of the State is pledged to the payment of, principal or interest on these bonds. Scheduled final retirement of these bonds occurs on June 1, 2041.

Fiscal Year	MSA Payments	Existing Surplus	Net Available Revenue	Debt Service *			Coverage Ratio
				Principal	Interest	Total	
2006	\$ 240.5	\$ 367.4	\$ 607.9	\$ 34.5	\$ 205.7	\$ 240.2	2.5
2007	162.2	267.8	430.0	43.5	158.1	201.6	2.1
2008	199.6	264.6	464.2	53.2	163.3	216.5	2.1
2009	218.8	261.0	479.8	67.7	161.0	228.7	2.1
2010	182.6	260.6	443.2	32.5	158.1	190.6	2.3
2011	172.6	258.7	431.3	24.8	156.7	181.5	2.4

Cigarette Tax Revenue Bonds, Series 2004

Based on the provisions pursuant to P.L. 2004, c.68, funds for repayment of these bonds derive solely from the nonlapsing "Dedicated Cigarette Tax Revenue Fund." Effective July 1, 2009, the State of New Jersey's Cigarette Tax rate increased from \$2.58 to \$2.70 per pack of 20 cigarettes. Of the total Cigarette Tax charged per pack, the Fund receives \$.65 in dedicated revenues, of which \$.51 is used to repay the bonds. Scheduled final retirement of these bonds occurs on July 1, 2034.

Fiscal Year	Cigarette Dedication	Existing Surplus	Net Available Revenue	Debt Service *			Coverage Ratio
				Principal	Interest	Total	
2007	\$ 152.9	\$ 10.1	\$ 163.0	\$ 59.6	\$ 79.5	\$ 139.1	1.2
2008	153.7	23.9	177.6	85.5	75.1	160.6	1.1
2009	144.3	17.0	161.3	84.5	70.6	155.1	1.0
2010	140.3	6.2	146.5	92.8	65.6	158.4	0.9
2011	145.5	-	145.5	82.9	61.6	144.5	1.0

* Includes optional accelerated payments.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.
New Jersey Department of the Treasury, Office of Public Finance.

**STATE OF NEW JERSEY
TEN LARGEST EMPLOYERS
2010 AS COMPARED TO 2001**

2010 Rank	Employer	New Jersey Employees	Percentage of Total New Jersey Employment
1	New Jersey State Government	72,228	1.8 %
2	Wakefern Food Corporation (ShopRite)	34,654	0.9
3	Wal-Mart Stores, Inc.	17,270	0.4
4	The Great Atlantic & Pacific Tea Company (A&P)	15,899	0.4
5	Verizon Communications	15,168	0.4
6	United Parcel Service (UPS)	14,961	0.4
7	United Continental Holdings (formerly Continental Airlines)	14,000	0.3
8	Johnson & Johnson	14,000	0.3
9	Caesars Entertainment Corporation (formerly Harrah's Entertainment, LLC.)	13,933	0.3
10	Merck & Company, Inc.	12,000	0.3
		224,113	5.5 %

2001 Rank	Employer	New Jersey Employees	Percentage of Total New Jersey Employment
1	New Jersey State Government	67,389	1.6 %
2	Wakefern Food Corporation (ShopRite)	31,000	0.8
3	Verizon Communications	16,525	0.4
4	Park Place Entertainment	16,261	0.4
5	American Telephone & Telegraph (AT&T)	16,159	0.4
6	Pathmark Stores, Inc.	13,000	0.3
7	Merck & Company, Inc.	12,846	0.3
8	Trump Hotel & Casino Resorts	12,846	0.3
9	Public Service Enterprise Group, Inc.	12,000	0.3
10	Continental Airlines	11,600	0.3
		209,626	5.1 %

Notes:

Aggregate New Jersey resident employment for Calendar Years 2010 and 2001 totaled 4.077 million and 4.107 million, respectively.
New Jersey State Government data excludes State authorities, colleges, and universities.
New Jersey Business' Top 100 Employers data derived from annual questionnaires submitted by private sector respondents, excluding government, higher education institutions, and non-profit hospitals.

Sources:

Saliba, G. N. (2011, August). 39th annual top 100 employers. *New Jersey Business*, 57(8), 23-31.
Birritteri, A. (2002, May). 30th annual top 100 employers. *New Jersey Business*, 48(5), 56-65.
Data reprinted with permission from the New Jersey Business and Industry Association.

New Jersey Department of the Treasury, Office of Management and Budget.
New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY
POPULATION AND EMPLOYMENT TRENDS
(Expressed in Thousands)**

Year	New Jersey Population	Civilian Labor Force	Resident Employment	Resident Unemployment	New Jersey Unemployment Rate	United States Unemployment Rate
2001	8,488	4,292	4,107	185	4.3 %	4.7 %
2002	8,543	4,343	4,091	252	5.8	5.8
2003	8,586	4,344	4,089	255	5.9	6.0
2004	8,610	4,347	4,134	213	4.9	5.5
2005	8,620	4,404	4,208	196	4.5	5.1
2006	8,619	4,465	4,257	208	4.7	4.6
2007	8,631	4,457	4,266	191	4.3	4.6
2008	8,657	4,501	4,255	246	5.5	5.8
2009	8,694	4,528	4,118	410	9.1	9.3
2010	8,733	4,502	4,077	425	9.4	9.6

Notes:

New Jersey Population and Civilian Labor Force data for 2001 through 2009 has been revised.
Resident Employment data for 2001 through 2004 and 2006 through 2008 has been revised.
Resident Unemployment data for 2002 through 2006 as well as 2009 has been revised.
New Jersey Unemployment Rate data for 2006 and 2009 has been revised.

Sources:

United States Census Bureau, Population Division.
New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY
VALUATIONS OF TAXABLE REAL PROPERTY, PERSONAL, AND PER CAPITA INCOME
(Expressed in Thousands Except as Indicated)**

Year	New Jersey Population *	Assessed Valuation of Property	True Valuation of Property	Personal Income (Millions) *	Per Capita Income **
2001	8,488	\$ 493,857,109	\$ 645,145,129	\$ 336,606	\$ 39,655
2002	8,543	524,816,215	720,179,653	341,558	39,980
2003	8,586	567,908,706	820,922,044	347,692	40,497
2004	8,610	606,248,658	937,193,205	365,260	42,420
2005	8,620	664,530,816	1,079,838,476	379,650	44,045
2006	8,619	743,219,514	1,235,285,449	411,429	47,733
2007	8,631	833,112,487	1,326,296,906	436,120	50,531
2008	8,657	891,585,206	1,355,003,641	447,989	51,747
2009	8,694	957,324,378	1,331,603,905	435,217	50,061
2010	8,733	981,864,678	1,341,214,326	446,464	51,125

* Data for 2001 through 2009 has been revised.

** With the exception of 2002, data for 2001 through 2009 has been revised.

Sources:

United States Census Bureau, Population Division.
New Jersey Department of the Treasury, Office of Revenue & Economic Analysis.

**STATE OF NEW JERSEY
EXPENDITURE SUMMARY FOR BUDGETED FUNDS*
FOR THE FISCAL YEAR ENDED JUNE 30**

Dollar Amount (Expressed in Millions)

Fiscal Year	Direct State Services	Grants-In-Aid	State Aid	Capital Construction	Debt Service	Total
2002	\$ 5,106.4	\$ 7,264.0	\$ 8,834.8	\$ 1,012.1	\$ 451.2	\$ 22,668.5
2003	5,437.5	8,035.2	9,163.6	1,075.4	430.4	24,142.1
2004	5,650.9	7,768.2	10,079.7	1,117.0	438.1	25,053.9
2005	6,146.0	10,230.4	10,878.3	1,106.1	260.3	28,621.1
2006	6,236.2	10,017.8	11,312.7	1,103.0	169.3	28,839.0
2007	6,624.7	10,196.6	12,320.3	1,241.2	427.8	30,810.6
2008	7,031.2	12,089.9	12,921.3	1,947.3	428.7	34,418.4
2009	6,404.4	10,904.7	12,141.7	1,227.6	270.7	30,949.1
2010	6,582.6	9,850.8	11,229.1	1,124.0	263.6	29,050.1
2011	6,707.0	9,169.3	11,486.4	1,174.2	120.4	28,657.3

Percent Distribution

Fiscal Year	Direct State Services	Grants-In-Aid	State Aid	Capital Construction	Debt Service	Total
2002	22.5 %	32.0 %	39.0 %	4.5 %	2.0 %	100.0 %
2003	22.5	33.3	38.0	4.4	1.8	100.0
2004	22.6	31.0	40.2	4.5	1.7	100.0
2005	21.5	35.7	38.0	3.9	0.9	100.0
2006	21.6	34.8	39.2	3.8	0.6	100.0
2007	21.5	33.1	40.0	4.0	1.4	100.0
2008	20.4	35.1	37.5	5.7	1.3	100.0
2009	20.7	35.2	39.2	4.0	0.9	100.0
2010	22.6	33.9	38.6	3.9	1.0	100.0
2011	23.4	32.0	40.1	4.1	0.4	100.0

Note:

* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

STATE OF NEW JERSEY
EXPENDITURES FOR BUDGETED FUNDS*
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(Expressed in Millions)

<u>Government Branch</u>	<u>Direct State Services</u>	<u>Grants- In-Aid</u>	<u>State Aid</u>	<u>Capital Construction</u>	<u>Debt Service</u>	<u>Total</u>
Executive Branch						
Chief Executive Office	\$ 6.1	\$ -	\$ -	\$ -	\$ -	\$ 6.1
Agriculture	9.7	7.0	5.6	0.7	-	23.0
Banking and Insurance	56.8	-	-	-	-	56.8
Children and Families	303.5	712.0	-	-	-	1,015.5
Community Affairs	49.2	30.0	434.7	-	-	513.9
Corrections	986.9	111.9	15.0	1.8	-	1,115.6
Education	73.2	9.4	10,036.9	0.1	-	10,119.6
Environmental Protection	251.3	13.2	9.0	77.8	9.2	360.5
Health and Senior Services	74.7	1,196.9	7.2	-	-	1,278.8
Human Services	575.0	3,894.4	579.1	-	-	5,048.5
Labor and Workforce Development	132.1	61.0	-	-	-	193.1
Law and Public Safety	680.0	17.2	1.9	3.0	-	702.1
Military and Veterans' Affairs	92.4	2.9	-	-	-	95.3
State	29.9	1,086.7	14.5	-	-	1,131.1
Transportation	92.7	276.7	29.1	895.0	-	1,293.5
Treasury	532.1	754.8	353.4	0.5	111.2	1,752.0
Miscellaneous	1.4	-	-	-	-	1.4
Interdepartmental	2,044.6	995.2	-	195.3	-	3,235.1
Subtotal	<u>5,991.6</u>	<u>9,169.3</u>	<u>11,486.4</u>	<u>1,174.2</u>	<u>120.4</u>	<u>27,941.9</u>
Legislative Branch	77.9	-	-	-	-	77.9
Judicial Branch	637.5	-	-	-	-	637.5
Grand Total	<u>\$ 6,707.0</u>	<u>\$ 9,169.3</u>	<u>\$ 11,486.4</u>	<u>\$ 1,174.2</u>	<u>\$ 120.4</u>	<u>\$ 28,657.3</u>

* Budgeted funds include the General Fund, the Property Tax Relief Fund, the Casino Revenue Fund, the Casino Control Fund, and the Gubernatorial Elections Fund.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

**STATE OF NEW JERSEY
FULL-TIME PAID EMPLOYEES**

<u>Department/Agency</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Executive Branch			
Agriculture	207	216	224
Banking and Insurance	500	419	423
Chief Executive's Office	104	90	83
Children and Families	6,790	6,866	6,913
Community Affairs	1,025	1,064	1,076
Corrections	8,381	8,898	9,294
Parole Board	639	676	696
Education	768	804	850
Environmental Protection	2,842	2,956	3,051
Health and Senior Services	1,672	1,764	1,825
Human Services	14,838	15,166	15,449
Labor and Workforce Development	3,080	3,128	3,167
Civil Service Commission	222	237	294
Public Employment Relations Commission	31	33	34
Law and Public Safety	6,835	7,194	7,324
Election Law Enforcement Commission	65	71	71
State Ethics Commission	12	12	13
Juvenile Justice Commission	1,462	1,574	1,624
Victims of Crime Compensation Office	32	35	30
Military and Veterans' Affairs	1,488	1,475	1,486
Public Advocate	N/A	164	170
State	194	208	212
Commission on Higher Education	13	16	18
Public Broadcasting Authority	124	132	138
Higher Education Student Assistance Authority	163	170	183
Transportation	5,400	5,695	5,880
Treasury	3,450	3,435	3,468
Casino Control Commission	262	281	293
Office of Administrative Law	99	93	98
Office of Information Technology	779	809	816
Office of the Public Defender	1,060	981	1,031
Board of Public Utilities	259	267	268
Miscellaneous Executive Commissions	1	2	2
Total	<u>62,797</u>	<u>64,931</u>	<u>66,504</u>
Legislative Branch	487	515	520
Judicial Branch	8,944	9,090	9,205
Grand Total	<u>72,228</u>	<u>74,536</u>	<u>76,229</u>

Notes:

Full-time paid employees were tabulated as of Pay Period No. 1 in January for each year displayed. Certain offices within departments have been reorganized throughout various fiscal years. These offices have been displayed in a manner that meets the State organization chart.

Pursuant to P.L. 2010, c.34, in Fiscal Year 2010, the Department of the Public Advocate was abolished and the surviving divisions/offices were relocated to the Department of the Treasury.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

2008	2007	2006	2005	2004	2003	2002
245	256	266	262	254	247	259
464	480	506	501	481	486	517
84	92	93	109	111	118	116
6,986	6,482	N/A	N/A	N/A	N/A	N/A
1,129	1,149	1,151	1,098	1,045	1,015	1,106
9,240	9,323	9,417	9,419	9,257	9,344	9,445
695	724	720	714	652	699	713
883	922	962	952	971	920	991
3,241	3,305	3,437	3,437	3,296	3,248	3,449
1,950	2,037	2,172	2,151	2,136	1,953	2,148
15,684	15,739	21,840	20,977	20,152	19,278	18,978
3,418	3,583	3,777	3,765	3,672	3,458	3,486
326	338	375	442	399	376	440
36	33	34	36	34	36	36
7,571	7,832	8,106	7,772	7,405	7,137	7,379
68	71	75	53	45	46	50
13	15	13	9	8	8	9
1,685	1,750	1,776	1,774	1,705	1,585	1,638
38	46	47	49	48	46	47
1,511	1,493	1,494	1,473	1,419	1,358	1,449
190	158	N/A	N/A	N/A	N/A	N/A
215	196	198	199	185	187	202
18	18	17	19	19	22	24
150	156	158	159	159	157	159
191	196	198	201	210	193	213
6,161	6,415	6,669	6,448	6,049	5,109	5,438
3,633	3,688	3,774	3,784	3,599	3,612	3,889
312	336	346	349	350	325	334
104	107	113	112	110	109	112
894	907	950	938	923	929	1,048
1,070	1,023	1,094	1,044	951	877	942
283	301	346	345	336	319	307
2	2	2	2	2	2	2
<u>68,490</u>	<u>69,173</u>	<u>70,126</u>	<u>68,593</u>	<u>65,983</u>	<u>63,199</u>	<u>64,926</u>
512	523	503	512	520	506	492
9,495	9,495	9,556	9,424	9,343	9,118	9,361
<u>78,497</u>	<u>79,191</u>	<u>80,185</u>	<u>78,529</u>	<u>75,846</u>	<u>72,823</u>	<u>74,779</u>

**STATE OF NEW JERSEY
OPERATING INDICATORS**

Department/Agency	2011*	2010**	2009**
Agriculture			
Farmland Preservation			
Cumulative acres permanently preserved	197,413	187,413	179,303
Children and Families			
Active caseload - children receiving services	166,418	158,117	150,356
Corrections			
Average daily population - State Facilities	21,792	21,454	22,125
Parole Board			
Parolees under supervision	16,151	15,929	15,656
Total hearings	33,834	33,095	35,597
State hearings	24,500	23,996	25,285
Education			
Resident enrollment	1,430,742	1,439,070	1,434,581
Support per pupil	\$ 17,696	\$ 17,414	\$ 17,193
Local	\$ 9,784	\$ 9,437	\$ 9,242
State	\$ 7,118	\$ 6,505	\$ 7,393
Federal	\$ 794	\$ 1,472	\$ 558
Health and Senior Services			
Family Health Services			
Newborns screened-metabolic & genetic disorders	106,000	105,000	108,909
HealthStart (prenatal)	29,000	28,500	27,134
AIDS Services			
Number of clients tested and counseled	105,000	75,000	75,000
Pharmaceutical Assistance to the Aged & Disabled			
Aged: Average monthly eligibles	110,744	112,660	124,327
Aged: Annual prescriptions	3,335,609	3,555,550	4,058,033
Disabled: Average monthly eligibles	26,461	25,354	29,225
Disabled: Annual prescriptions	831,934	897,532	1,059,114
Human Services			
Work First New Jersey			
Average monthly recipients	104,254	98,418	96,889
Average monthly grant	\$ 133.01	\$ 132.77	\$ 131.69
Labor and Workforce Development			
Unemployment Insurance			
Covered workers	3,711,900	3,684,800	3,794,084
State Disability Insurance Plan			
Covered workers	2,716,000	2,696,100	2,776,000
Claims received	171,100	171,100	171,241
Law and Public Safety			
State Police Operations			
Criminal investigations	15,200	15,186	15,015
Accident investigations	34,500	34,578	33,163
General investigations	809,000	809,584	810,413
Transportation			
Motor Vehicle Services			
Registrations and title documents issued	10,387,484	10,297,294	10,175,714
Total licensed drivers	5,484,565	5,484,565	5,500,932
Total registered vehicles	5,746,752	5,724,040	5,701,297
Total NJ inspections/reinspections	2,504,680	3,012,306	3,033,389

Notes:

* Fiscal Year 2011 amounts are estimates.

** Fiscal Years 2010 and 2009 have been revised.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
	167,752	158,721	147,925	137,947	127,038	110,476	94,806
	142,339	156,707	148,745	121,568	N/A	N/A	N/A
	22,680	22,908	23,008	22,932	23,006	22,867	22,561
	14,770	14,320	14,009	13,297	13,297	13,234	12,867
	39,343	41,499	45,733	44,338	42,377	39,910	42,060
	28,716	29,348	29,292	29,007	26,902	25,481	27,734
	1,433,498	1,440,767	1,448,232	1,446,815	1,441,748	1,424,773	1,395,131
\$	17,038	\$ 16,256	\$ 15,040	\$ 14,159	\$ 13,234	\$ 12,505	\$ 11,834
\$	9,045	\$ 8,689	\$ 8,108	\$ 7,597	\$ 7,103	\$ 6,702	\$ 6,375
\$	7,454	\$ 7,002	\$ 6,375	\$ 6,032	\$ 5,628	\$ 5,344	\$ 5,044
\$	539	\$ 565	\$ 557	\$ 530	\$ 503	\$ 459	\$ 415
	111,123	111,607	110,851	110,473	113,404	113,032	112,666
	27,806	29,167	35,439	36,500	35,000	31,000	30,103
	75,000	76,828	74,277	68,700	67,789	67,067	61,969
	130,051	138,084	146,142	148,280	148,349	147,841	150,280
	4,432,138	4,407,641	5,489,094	5,838,243	5,477,045	5,304,535	4,995,313
	28,563	28,509	29,492	28,274	27,902	27,247	26,933
	1,107,102	1,040,008	1,419,155	1,396,133	1,334,832	1,258,811	1,193,426
	99,500	103,094	112,192	116,188	112,280	107,143	112,773
\$	129.99	\$ 132.04	\$ 130.78	\$ 130.43	\$ 129.06	\$ 128.12	\$ 128.82
	3,904,700	3,899,300	3,877,600	3,836,301	3,813,549	3,778,630	3,801,600
	2,856,900	2,852,800	2,837,000	2,806,700	2,790,000	2,764,500	2,781,200
	171,368	171,885	168,188	172,919	174,232	170,958	164,627
	18,810	23,452	17,460	16,287	13,079	12,552	11,954
	42,238	44,415	43,858	45,001	41,263	39,724	37,833
	807,760	833,975	805,131	802,280	565,156	573,098	582,204
	11,078,091	9,528,128	9,774,684	10,202,096	10,386,777	10,558,682	10,320,282
	5,501,596	5,519,976	5,629,451	5,668,712	5,741,036	5,706,951	5,713,520
	5,846,217	6,362,199	6,537,486	6,781,736	7,055,501	7,302,521	7,043,077
	3,002,727	2,896,889	3,006,193	3,000,324	3,171,458	3,243,086	3,545,739

**STATE OF NEW JERSEY
CAPITAL ASSET STATISTICS
FOR THE FISCAL YEAR ENDED JUNE 30**

Function	2011	2010	2009
Public safety and criminal justice			
Adult and juvenile correctional institutions	32	32	35
State police stations	43	34	34
State police officers	2,814	3,001	3,050
Motor vehicle facilities	65	70	72
Number of active armories	31	31	32
Total acreage dedicated to function	7,040	7,054	7,009
Total buildings dedicated to function	1,638	1,650	1,640
Physical and mental health			
Number of mental health facilities	5	5	5
Average daily population	1,791	1,870	2,005
Total acreage dedicated to function	629	629	629
Total buildings dedicated to function	331	322	321
Educational, cultural, and intellectual development			
Number of schools	28	29	31
Number of developmental centers	7	7	7
Average number of residents	2,587	2,703	2,785
Total acreage dedicated to function	3,390	3,390	3,390
Total buildings dedicated to function	501	508	506
Community development and environmental management			
State parks, historic sites, natural areas, marinas, other	231	231	231
Land preservation acres (easements/farmland)	76,856	75,781	71,199
Total acreage dedicated to function (includes preservation)	794,424	787,861	775,521
Total buildings dedicated to function	2,086	2,063	2,023
Economic planning, development, and security			
Number of residential centers*	-	3	3
Number of group homes**	1,150	1,143	1,133
Total acreage dedicated to function**	1,754	1,747	1,737
Total buildings dedicated to function**	1,310	1,299	1,287
Transportation programs			
Lane miles, state highways***	13,305	13,518	13,508
Bridges, state owned	2,585	2,585	2,577
Facilities	87	87	87
Total acreage dedicated to function	33,488	33,421	33,376
Total buildings dedicated to function	586	554	546
Government direction, management, and control			
Total acreage dedicated to function**	4,328	4,311	4,315
Total buildings dedicated to function	332	313	313
Special government services			
Veteran homes	3	3	3
Veterans in residence	911	913	913
Total acreage dedicated to function	77	77	77
Total buildings dedicated to function	40	30	29

Notes:

* As a result of the Olmstead Act, the residential centers were closed in fiscal year 2011.

** Data for 2010 through 2008 has been revised.

*** In 2011, DOT modified the methodology for converting outer shoulders, inner shoulders, and ramps to lane miles.

Source:

New Jersey Department of the Treasury, Office of Management and Budget.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
38	38	38	39	39	39	39
34	35	35	35	35	35	38
3,030	2,971	2,963	2,823	2,669	2,664	2,769
75	77	80	80	80	80	80
32	33	33	33	33	33	33
6,792	6,724	6,725	6,712	6,712	6,667	6,665
1,622	1,607	1,569	1,552	1,537	1,515	1,482
5	5	5	6	6	6	6
2,135	2,223	2,303	2,284	2,237	2,240	2,211
651	1,038	1,038	1,038	1,023	1,023	1,023
320	316	324	322	322	321	317
31	31	30	30	30	30	31
7	7	7	7	7	7	7
2,897	2,987	3,061	3,096	3,145	3,233	3,365
4,046	4,552	4,552	4,551	4,551	4,551	4,525
529	526	530	527	523	522	518
231	231	231	230	230	230	230
69,339	67,062	54,455	50,896	39,026	31,884	27,371
767,174	755,431	727,959	706,240	675,552	664,436	649,521
2,023	2,021	1,963	1,948	1,928	1,911	1,896
3	3	3	3	3	3	3
1,108	1,076	1,047	1,003	969	951	930
1,712	1,679	1,676	1,627	1,593	1,575	1,554
1,257	1,233	1,204	1,082	1,014	1,001	974
13,493	13,485	11,178	11,120	11,107	11,073	11,061
2,578	2,579	2,581	2,364	2,366	2,349	2,367
87	89	89	89	89	89	89
33,369	33,364	33,352	33,351	31,411	29,704	29,658
504	502	502	488	477	476	467
3,849	3,044	3,044	3,044	3,044	3,039	3,037
312	310	325	322	316	316	315
3	3	3	3	3	3	3
914	932	875	815	786	767	815
77	76	76	76	76	76	76
30	25	29	26	26	26	24



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